



REPORT

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01 April 2016

IPPC Financial Committee April, 2016



Food and Agriculture Organization of the United Nations

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1. Opening of the meeting

- [1] The Chairperson of the IPPC Financial Committee (FC) welcomed the FC members and opened the meeting. He noted that the focus of the meeting should be CPM-11 preparation and discussion on the sustainable funding for the IPPC Secretariat.
- [2] The IPPC Secretary, Mr Jingyuan XIA, welcomed the participants and made opening remarks. He informed the FC that he would be making a presentation on the “Progress report on IPPC Secretariat financial issues for 2015”.

2. Adoption of the Agenda

- [3] The FC proposed that separate items on “Sustainable funding for the IPPC Secretariat” and “Progress of the IYPH” be added to the Agenda. The FC adopted the revised agenda (Appendix 1).

3. Housekeeping

- [4] The Secretariat introduced the Documents list (Appendix 2) and noted that the following FC members participated in the meeting: Mr John GREIFER (USA), Ms Kyu-Ock YIM (Republic of Korea), Mr Lucien KOUAME KONAN (Côte d’Ivoire), Mr Ralf LOPIAN (Finland). From the Secretariat the Secretary, Mr Jingyuan XIA, Mr Craig FEDCHOCK, and Mr Shane SELA and Mr Marko BENOVIĆ participated.
- [5] For contact details of the FC members, the FC 2016-03 membership list can be consulted on the on the IPP¹.

4. Progress report on IPPC Secretariat financial issues for 2015

- [6] The IPPC Secretary began his presentation by noting that in 2015 the Secretariat provided services to CPM and FC, Finance planning, Finance management and Resource mobilization.
- [7] Services provided to CPM and FC included financial planning and reporting; organization of three FC meetings with preparation of discussion papers and meeting reports, and; follow-up actions related to decisions made by CPM-10 and FC meetings, such as on the International Year for Plant Health (IYPH) 2020 and resource mobilization.
- [8] He also recapitulated on the resource mobilization activities carried out by the Secretariat in 2015.
- [9] He noted that total resources in 2015 amounted to USD 5.68 million, comprised of USD 2.95 from FAO Regular Programme (RP) (52%) and 2.73 million from Extra Budgetary (EB) sources (48%). Of the latter, USD 1.45 million were allocations to the IPPC Multi-donor trust fund (53%) and USD 1.28 million from various capacity development projects (47%). Total expenditures amounted to USD 4.82 million, funded from RP by 61% and from EB by 39%.
- [10] In 2015, IPPC Multi-donor trust fund contributions amounted to approximately USD 0.47 million, which was a decline of 36% compared to 2014. Only five CPs (3% of the total membership of 182 contracting parties) made contributions compared to six CPs in 2014.
- [11] As to funding commitments made for 2016, the Secretary recalled that the Standards Trade Development Facility (STDF) had approved project funding (2016-2019) for USD 1 million for development of the ePhyto hub. The European Union had also pledged renewed funding amounting to EUR 900 000 for implementation of the IPPC (2016-2019). Funding of EUR 25 000 for IYPH activities had been received from Ireland. Additionally, the IPPC Secretariat will continue to receive in-kind contributions in 2016 from Canada, France, FAO/IAEA Joint division, New Zealand and USA.

¹ Consult the 2016-03 FC membership list here: <https://www.ippc.int/en/publications/80915/>

- [12] Regarding the Secretariat 2016 work plan and Budget, the Secretary confirmed that FAO Regular programme allotment was USD 2.95 million (as 2015). The Secretariat 2016 work plan and budget was allocated without any budget deficit for the regular programme. Approximately 33% (USD 0.98 million) of the FAO Regular programme allotment is allocated to each of the three units of the Secretariat: Governance/Management/Strategy, Standard Setting Unit (SSU) and Implementation Facilitation Unit (IFU). Total staff costs amount to 69% (USD 2.04 million) of the allotment, while operational costs are estimated at 31% (USD 0.91 million).
- [13] For 2016, the IPPC Multi-donor trust fund budget is USD 0.95 million (translating into a budget deficit of 112%). This amount takes into account 2015/2016 carry-over of approximately USD 0.45 million and expected contributions of USD 0.5 million. Most of the IPPC Multi-donor trust fund resources (42% or USD 398 000) are allocated to the Implementation Facilitation Unit (IFU), while Standard Setting Unit (SSU) and Governance/Management/Strategy were allocated 32% (USD 307 000) and 26% (USD 249 000) respectively. Total staff costs amount to 76% (USD 720 000), while operational costs are expected to reach 24% (USD 234 000) of the total budget.
- [14] Other trust fund resources include the project GCP/GLO/311/EC (total budget USD 0.81 million - Project period: 1/7/2014-30/6/2016 – 2016 budget USD 0.34 million) for funding travel for developing country participants to IPPC meetings.
- [15] In conclusion, the Secretary reiterated the need to identify sustainable trust funding for the IPPC Secretariat to be able to carry out its work plan and suggested that the CPM should consider establishing an IPPC voluntary contribution agreement, similar to those of the World Organization for Animal Health (OIE) and CODEX Alimentarius. He urged the CPM Bureau to take financial matters as one of their key issues for their annual work programme. The Secretary encouraged the FC to provide analysis and actions that would result in effective and sustainable funding.
- [16] The FC in noting the financial situation of the IPPC Secretariat, agreed to explore further possibilities for sustainable funding including voluntary assessed contributions and suggested that IYPH 2020, through a possible Ministerial Donor Conference, could be a good basis for announcing a new sustainable mechanism for the IPPC Secretariat.

5. Report of last meeting and review of actions points

- [17] There were no comments to the FC October 2015 report².
- [18] The FC reviewed the pending actions from the last meeting and updated the action list.
- [19] The FC Chairperson noted that it would be appropriate to monitor only those items strictly related to finances and resource mobilization and FC discussed which activities should be ongoing. The FC agreed that the action list form the foundation for the FC 2016 work programme, and also agreed that the action point “monitoring CPM decisions” and “IYPH” would be ongoing items on the work programme.

6. Consideration of CPM-11 documents on financial and other issues

6.1 IPPC Secretariat 2015 Financial report

- [20] The Secretariat introduced key points of the IPPC Secretariat 2015 Financial report.
- [21] Overall, during 2015, total expenditures from both RP and EB sources amounted to approximately USD 4,8 million.
- [22] The Secretariat noted that the report has been cleared by the FAO Office for Strategic planning (OSP) (responsible for FAO budget) and the IPPC Multi-donor trust fund costs breakdown and project expenditures had been introduced.

² https://www.ippc.int/static/media/files/publication/en/2015/10/Report_FC_October_2015_2015-10-28.pdf

[23] The FC noted the financial situation of the IPPC Secretariat.

6.2 IPPC Secretariat 2016 Work plan and Budget

[24] See discussions under section 4 of this report.

6.3 Resource mobilization

[25] The Secretariat introduced the paper.

[26] The FC discussed the proposal for setting up a multi-year voluntary contribution agreement as a means of ensuring sustainable funding for the Secretariat activities. Allowing planning beyond the annual budgeting cycle would be a key step forward for the Secretariat as it helps providing the best service possible to contracting parties.

[27] The FC noted the progress of resource mobilization activities undertaken by the Secretariat in 2015.

6.4 Recognition of important contributions

[28] The Secretariat introduced the paper highlighting that this was an effort to demonstrate the appreciation for contributions (funding or in-kind) to Secretariat activities.

[29] The FC noted the important contributions and the efforts put in preparing the document, but suggested that this paper would not be developed (in the presented format) in future as it required significant Secretariat resources.

7. Sustainable funding for the IPPC Secretariat

[30] See discussions under section 4 and section 6 of this report.

8. Progress of the International Year of Plant Health (IYPH)

[31] Mr Ralf LOPIAN informed the FC on the progress on the IYPH 2020 summarizing the main achievements and way forward. He mentioned that preparations are on-track for the 2017 FAO Conference. The intention of an IYPH will also be presented to Committee on Agriculture (COAG) in September and to FAO Council in December. He noted that after the adoption of the initiative at FAO Conference, the FAO Director-General will write a proposal to the Economic and Social Council of the UN Assembly. Finland's representation to United Nations in New York will be assisting this process. He stressed the importance of regional plant protection organizations (RPPOs) having a central role in the whole process. The FC expressed appreciation with the progress of the IYPH.

[32] The FC discussed which activities the recent contribution from Ireland and the potential contribution from Switzerland would fund.

(1) The FC showed its appreciation with the development on the IYPH initiative.

9. New and emerging issues

9.1 Tracking financial implications of CPM-11 decisions

[33] The FC discussed the potential financial implications of CPM-11 decisions and prepared an overview for the Bureau's consideration.

[34] The FC agreed to continue tracking financial implications of CPM decisions.

10. FC 2016 Work programme

[35] The FC agreed to the FC 2016 Work programme, as presented by the Secretariat without any modifications (Appendix 4).

11. Next meeting (scheduling)

[36] The next FC meeting is scheduled for 20 June in Beijing, China. The Secretary reminded FC members to check the IPP Calendar regularly for updates.

12. Other business

12.1 New FC membership

[37] The FC Chairperson informed the FC that the new FC membership will be announced by the Bureau on 8 April 2016, following the changes in Bureau membership.

[38] Should the Bureau confirm continuation of Mr Ralf LOPIAN's membership in the FC, the FC asked the Bureau to explicitly communicate this in the Bureau March-April 2016 report.

13. Close

[39] The FC Chairperson, being this his last meeting, thanked all FC members for the work carried out during the last term and expressed his appreciation for the results attained over the past years.

[40] The meeting was closed.

APPENDIX 1 - Provisional Agenda

Agenda item	Document No	Presenter
1. Opening of the meeting		Xia/Greifer
2. Adoption of the Agenda	01_IPPC-FC_2016_April	Fedchock
3. Housekeeping		
<ul style="list-style-type: none"> • Documents list • Participants list • Local information 	02_IPPC-FC_2016_April IPP IPP	Fedchock
4. Progress report on IPPC Secretariat financial issues for 2015		Xia
5. Report of last meeting and review of actions points	October 2015 Report	Fedchock
6. Consideration of CPM-11 documents on financial and other issues (content and presentation format):		
6.1 IPPC Secretariat 2015 Financial report	31_CPM_April_2016	Benovic
6.2 IPPC Secretariat 2016 Work plan and Budget	22_CPM_April_2016	Benovic
6.3 Resource mobilization	24_CPM_April_2016	Fedchock
6.4 Recognition of important contributions	32_CPM_April_2016	Fedchock
7. Sustainable funding for the IPPC Secretariat		FC
8. Progress of the International Year of Plant Health (IYPH)		Lopian
9. New and emerging issues		
9.1 Tracking financial implications of CPM-11 decisions		FC and Secretariat
10. FC 2016 Work Programme		Greifer/Fedchock
11. Next meeting (scheduling)		FC
12. Other business		
12.1 New FC membership		Greifer

APPENDIX 2 - Documents list

DOCUMENT NO.	AGENDA NO.	DOCUMENT TITLE	POSTED
01_IPPC-FC_2016_April	2	Provisional Agenda	2016-03-23
02_IPPC-FC_2016_April	3	Documents list	2016-03-23
31_CPM_April_2016	6.1	IPPC Secretariat 2015 Financial report	2016-03-23
22_CPM_April_2016	6.2	IPPC Secretariat 2016 Work plan and Budget	2016-03-23
24_CPM_April_2016	6.3	Resource mobilization	2016-03-23
32_CPM_April_2016	6.4	Recognition of important contributions	2016-03-23

Document	Agenda item	Content
Report from last meeting	5	FC 2015 October Report

APPENDIX 3 - Action list

ACTION	Action from	Responsible	Deadline	Status
Merge the work programme with the action points	Mar-14	IPPC Secretariat	2015	Accomplished
Estimate total annual translation and interpretation cost	Jun-14	IPPC Secretariat	2015	Accomplished
Update IPPC General Financial outlook document as described	Jun-14	IPPC Secretariat	2015	Accomplished
Paper on International Year of Plant Health presented at CPM-10	Oct-14	IYPH Steering group, IPPC Secretariat	2015	Accomplished
IPPC Secretary and Coordinator to meet ADG-AG to inquire about the future of regular programme funding	Oct-14	IPPC Secretariat	2015	Accomplished
Initiate 2016-2017 budget (taking into account Enhancement evaluation)	Oct-14	IPPC Secretariat, FC	2015	Accomplished
Review financial implications of CPM-10 decisions	Mar-15	FC	2015	Accomplished
Prepare for a list of the current activities with precise costs so that these figures can be used to budget new activities.	Mar-15	IPPC Secretariat	In time for the 2016-2017 budget development	Accomplished
Describe specific activities that would need to be stopped in case there would not be a USD 1.2 mio replenishment.	Mar-15	IPPC Secretariat	For FC June	Accomplished
FC strongly recommended that immediate resource mobilization activities are undertaken by the IPPC Secretariat and the CPM Bureau.	Jun-15	IPPC Secretariat, Bureau	2015	Accomplished/Ongoing
2016 Annual work plan and budget would need to be developed and discussed at the next FC meeting	Jun-15	IPPC Secretariat	For FC Oct	Accomplished
FC asked that graphical aids regarding the human resources and their sources of finance be added to the annual work plan and budget	Jun-15	IPPC Secretariat	For FC Oct	Accomplished
Append Table 3 of 05_IPPC-FC_2015_March and a list of in-kind contributions to the CPM report.	Mar-15 [21]	IPPC Secretariat	CPM report finalization	Accomplished
Develop a figure on TF expenditures by core activities (as Figure 3 of 05_IPPC-FC_2015_March for the next Financial report.	Mar-15 [21]	IPPC Secretariat	2016	Accomplished
Matters concerning the International Year of Plant Health 2020 (IYPH 2020) should be identified as independent agenda items on the agenda of future FC meetings.	Jun-15	IPPC Secretariat	For FC Oct	Accomplished
Plan resource mobilization outreach event - inviting the potential donor countries (e.g. high officials, ambassadors) - to be linked to International Year of Plant Health	Oct-14	IPPC Secretariat, FC	To be decided	In process
Develop guidelines for sponsorship of standards	Oct-14	IPPC Secretariat, FC	To be decided	In process
Plan to be present at CFS/ WFD events 2015 with no big efforts (side event presentation/poster/publication distribution)	Mar-15	IPPC Secretariat	To be decided	In process
Provide a list of possible donors with	Mar-15	IPPC	To be decided	In process

identification of the country's priorities to Mr Ralf LOPIAN.	[15]	Secretariat		
Develop a figure on TF expenditures by core activities (as Figure 3 of 05_IPPC-FC_2015_March for the next Financial report.	Mar-15 [21]	IPPC Secretariat	2016	Accomplished
Prepare for a list of the current activities with precise costs so that these figures can be used to budget new activities.	Mar-15 [34]	IPPC Secretariat	In time for the 2016-2017 budget development	Accomplished
Matters concerning the International Year of Plant Health 2020 (IYPH 2020) should be identified as independent agenda items on the agenda of future FC meetings.	Jun-15	IPPC Secretariat	For FC Oct	Accomplished
Dedicated brochure for the IPPC in relation to the International Year for Plant Health (IYPH) should be developed	Jun-15	IPPC Secretariat	2015/2016	In process
Asked the Secretariat to prepare a cost estimate of the CPM itemized by day to clarify the savings of shortening the CPM session.	Oct-15	IPPC Secretariat	2016	In process
The FC invited the Secretariat to prepare a draft FC 2016 work plan for the next FC meeting.	Oct-15	IPPC Secretariat	For FC April	Accomplished
FC agreed to invite 1-2 experts (of which possibly a major donor such as European Commission) for their June 2016 meeting to enhance discussions on specific topics, specifically on resource mobilization.	Oct-15	IPPC Secretariat	For FC April	Accomplished
FC asked Mr Konan to work with the Secretariat in preparing a list of 5-10 potential developing country donors and draft letters to approach these.	Oct-15	IPPC Secretariat	For FC April	Accomplished
FC Agreed to discuss the set up for ISPM 15 mark registration maintenance in a future meeting (2017).	Oct-15	IPPC Secretariat	2017	In process

APPENDIX 4 – FC Work programme

IPPC FINANCIAL COMMITTEE WORK PROGRAMME (updated 15/03/2016)										
	2014					2015				
	Jan-Feb	Apr	Jun	Oct	Dec	Jan-Feb	Mar	Jun	Oct	Dec
Basic set up (ToR & WA)		Initially discuss review/ revision of ToR and WA	Finalize ToR or WA review							
Resource mobilization		Review and reflect guidance from Bureau and CPM	Donor conference initiation	Discussion on the action plan for the Donor conference		Donor conference action plan drafted	IYPH to determine way forward on this initiative			
		Revise priority of potential donor list					RMTF created; Donor list prepared	Letters to donors sent	Donor visits	
		Discussion on draft RM action plan for an ISPM		Initial ideas on Guidelines for sponsorship of standards		First draft of Guidelines for sponsorship of standards		Review of the Guidelines for sponsorship of standards	Postponed	
Work programme		Review and reflect guidance from Bureau and CPM	Discuss WP 2015	Discuss WP 2015	Finalize WP 2015		Review and reflect guidance from Bureau and CPM		Discuss WP 2016	Discuss WP 2016
Development of Financial process and Forms		Present 2013 Financial report and Budget in the finalized formats	Discuss financial monitoring formats				Present 2014 Financial report in the finalized formats	Discuss financial monitoring formats		
Financial budgeting/ reporting		Monitor financial situation 2014	Monitor financial situation 2014	Monitor financial situation 2014			Monitor financial situation 2015	Monitor financial situation 2015	Monitor financial situation 2015	
	Finalize financial report 2013 and draft budget 2014-2015 in suggested formats	Financial report 2013 and 2014-2015 biennium budget presented at CPM9				Finalize financial report 2014	Financial report 2014 presented at CPM10	Discussion on the 2016-2017 biennium budget	2016 budget draft	Bureau adopts 2016 budget

IPPC FINANCIAL COMMITTEE WORK PROGRAMME (updated 15/03/2016)										
	2016					2017				
	Jan-Feb	Apr	Jun	Oct	Dec	Jan-Feb	Mar	Jun	Oct	Dec
Basic set up (ToR & WA)										
Resource mobilization		Discussion on sustainable funding of IPPC Secretariat	Way forward on sustainable funding of IPPC Secretariat							
		Discuss way forward on RM	EU resource person to attend FC meeting	Donor meetings/visits	Donor meetings/visits					
Work programme		Finalize WP for 2016								
Development of Financial process and Forms		Review presentation formats of the Financial report for 2015 and Budget for 2016								
Financial budgeting/ reporting		Monitor financial situation 2016	Monitor financial situation 2016	Monitor financial situation 2016			Monitor financial situation 2017	Monitor financial situation 2017	Monitor financial situation 2017	
	Finalize financial report 2015 and draft budget 2016 in suggested formats	Financial report 2015 and 2016 budget presented at CPM11	Discuss Budget for 2017	Draft budget for 2017	Bureau adopts Budget for 2017	Finalize financial report 2016 and draft budget 2017 in suggested formats	Financial report 2016 and 2017 biennium budget presented at CPM12			