



Food and Agriculture
Organization of the
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International
Plant Protection
Convention

REPORT

IPPC Financial Committee Meeting

**Rome, Italy
6-7 June 2019**

IPPC Secretariat

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1. Opening of the Meeting

- [1] Mr. WOLFF, the Chair of the IPPC Financial Committee (FC), welcomed the FC members, opened the meeting, and thanked the IPPC Secretariat for the work done since last meeting in March 2019.
- [2] The IPPC Secretary, Mr. Jingyuan XIA, welcomed all the participants to Rome. He stressed the importance of the IPPC Strategic framework for 2020-2030 as the main guiding document for the future of the IPPC. In view of this, he stressed 5 key areas that FC should take into consideration for the June 2019 meeting:
- [3] 1) IPPC Secretariat Work Plan and Budget for 2021 should be linked to the IPPC Strategic framework for 2020-2030 and its 5 year Investment plan; 2) FC should provide advice on better planning for International Year of Plant Health in 2020; 3) Implementation of ePhyto 5 year plan should start and FC should advise on resource mobilization; 4) FC should give general guidance for resource mobilization of the IPPC Secretariat and 5) FC should consider strengthening its functions.
- [4] Mr. XIA reiterated his commitment to sound financial management, budgetary transparency and efficacy, as well as accountability to the IPPC Contracting parties.

2. Meeting Arrangements

2.1. Adoption of the agenda

- [5] The FC adopted the agenda (*Appendix 1*).

3. Administrative Matters

3.1. Documents list

- [6] The IPPC Secretariat presented the Documents list (*Appendix 2*).

4. Report of Last Meeting and Review of Actions Points

- [7] The FC reviewed pending actions from the last meeting, and clarification was provided on several items in relation to the FC meeting report from March 2019.
- [8] The FC:
- (1) *thanked* the IPPC Secretariat for accomplished actions from the Actions list

5. Progress Reports

5.1. Financial report of the IPPC Secretariat for 2019

- [9] Mr. BENOVIC presented the interim financial report of the IPPC Secretariat for 2019 covering the period from 1 January – 30 April 2019. He noted that the overall programme execution is on track. With regard to Regular programme budget, slight deficit is envisaged at the end of 2018-2019 biennium (below USD 100,000 or approximately 1.7% of the biennial allocation to the IPPC Secretariat by FAO).
- [10] Financial situation of the IPPC Multi donor trust fund is stable, but various activities need faster rate of replenishment (ePhyto, various SSU and IFU activities). Major concern expressed was the lack of funds for the execution of all planned activities for the International Year of Plant Health (IYPH 2020). Budget deficit of the IYPH initiative is approximately USD 560,000.
- [11] Execution of budgets of projects is generally on track, with STDF ePhyto project and European Commission IRSS project being slight delayed.

[12] The FC:

(1) *noted* the interim financial report of the IPPC Secretariat for 2019

5.2 Resource mobilization report of the IPPC Secretariat for 2019

[13] Mr. XIA briefed the FC on resource mobilization efforts of the IPPC Secretariat in 2019. He noted IPPC Secretariat Task Force for Resource Mobilization (TFRM) implements resource mobilization activities of the IPPC Secretariat in order to assist the IPPC Secretary in ensuring sustainable and sufficient funding for fulfilling IPPC strategic objectives.

[14] With regard to sustainable funding, FAO Council supported the increase of Regular programme fund to the IPPC Secretariat in its April 2019 meeting.

[15] With regard to the IPPC MDTF, the IPPC Secretariat received USD 546,752 from Ireland (USD 113,766), NAPPO/USA (USD 155,000), Switzerland (USD 200,401) and UK (USD 77,586). Additional contributions have been pledged by Australia (AUD 25,000), France (EUR 250,000), Kenya (USD 10,000), Republic of Korea (160,000 USD) and Sudan (USD 10,000) for a potential total of USD 1,013,952. This fund will contribute to the 2019 IPPC work plan and its specific initiatives, such as the International Year of Plant Health (IYPH), the Sea-Containers Task Force, Emerging Pests, ePhyto and other activities.

[16] With regard to IPPC Projects in 2019, the IPPC Secretariat has been managing six projects: the EU-funded project to support the 3rd cycle of the IRSS (GCP/GLO/877/EC, 2018-2021), the STDF-funded project "Rolling Out a Systems Approach Globally (MTF/INT/336/STF, 2018-2021), the STDF-funded ePhyto project (MTF/GLO/688/STF, 2016-2019), the project funded by the EU to support the implementation of the IPPC (GCP/GLO/725/EC, 2017-2019), the FAO-China funded project to strengthen the capacity of developing contracting parties to implement the IPPC (GCP/INT/291/CPR, 2017-2020), and the project funded by Japan to support cooperation for the development of the ePhyto solution (GCP/GLO/827/JPN, 2017-2020).

[17] The total value of the current projects is over USD 6 million. In addition, the IPPC Secretariat is negotiating with the EU two projects: one to renew the current project to support the implementation of the IPPC and a new project to cover additional areas, such as IYPH, emerging pests, Commodity and Pathway standards and ePhyto.

[18] With regard to IPPC In-kind contributions in 2019, the IPPC Secretariat received approximately USD 300,000 from China, USA, Canada, Japan, France, Korea of contributions to support meeting organization, study tours, the work of experts, training and similar activities. Final list of IPPC In-kind contributions and their detailed cost estimate will be presented in IPPC Secretariat Financial report for 2019 at CPM-15.

[19] The FC:

(1) *supported* resource mobilization efforts of the IPPC Secretariat

(2) *decided* to propose to the CPM Bureau to call for a meeting with FAO Permanent representatives on the topic of Sustainable funding in view of FAO Conference.

6. Important Work Plan and Budgetary Issues

6.1. Brainstorming on further improvements of budgetary and financial practices of the IPPC Secretariat – in relation to IPPC Strategic framework 2020-2030

[20] FC discussed at length the importance of proper financial planning in order to best position the IPPC Secretariat to be able to implement prescribed activities under each of 8 Development agendas of the Strategic framework.

[21] FC was noted that in order to fully implement the Strategic framework by 2030, considerable strengthening of the IPPC Secretariat financial function will have to be performed. Primarily, staff positions should be stabilized, while the need for additional staff is also evident.

[22] FC further discussed the need for strengthened resource mobilization efforts in order to adequately fund activities from the Strategic framework. It was noted that most of the activities have no funding as of June 2019.

[23] The FC:

- (1) *decided* to use IPPC 5-year investment plan as a starting point in linking IPPC Strategic framework and IPPC Secretariat planning and budgeting processes
- (2) *decided* to assign specific Development agendas from the Strategic framework to each unit of the IPPC Secretariat, as appropriate

6.2. Five year investment plan of the IPPC Secretariat - in relation to the IPPC Strategic Framework 2020-2030

[24] FC discussed and agreed that Five year investment plan of the IPPC Secretariat should represent the main reference document for linking activities of the IPPC Secretariat to new Development agendas arising from the IPPC Strategic framework.

[25] This plan outlines, at a summary level, an estimate of the resources required to implement the first five years (2021-2025) of the IPPC Strategic Framework 2020-2030, and their likely source under current financial governance provisions agreed by the Commission.

[26] IPPC Secretary proposed that the Development agendas are distributed as follows:

[27] To Integration and Support Team (IST):

- Development Agenda 6. Assessment and Management of Climate Change Impacts on Plant Health
- Development Agenda 7. Global Phytosanitary Research Coordination

[28] To Standard Setting Unit (SSU):

- Development Agenda 2. Commodity and Pathway Specific ISPMs
- Development Agenda 3. Management of E-commerce and Postal and Courier Mail Pathways
- Development Agenda 4. Developing Guidance on the Use of Third Party Entities

[29] To Implementation Facilitation Unit (IFU):

- Development Agenda 1. Harmonization of Electronic Data Exchange
- Development Agenda 5. Strengthening Pest Outbreak Alert and Response Systems
- Development Agenda 8. Diagnostic Laboratories Network

[30] The FC:

- (1) *decided* to use 5 year investment plan as the main reference document for drafting the IPPC Secretariat Work Plan and Budget for 2021 (to be available in October 2019), taking into consideration distribution of Development agendas, as described above.

6.3. Review on work plan and budget of the IPPC Secretariat for 2020

[31] FC discussed feasibility of the IPPC Secretariat Work Plan and Budget for 2020. It concluded that the main concern remains funding for the International Year of Plant Health (IYPH 2020).

6.4. Discussion on the work plan and budget of the IPPC Secretariat for 2021

[32] IPPC Secretariat presented the preliminary draft of the IPPC Secretariat Work Plan and Budget for 2021.

[33] Secretariat further noted that it will conduct work and budget planning exercise within the Secretariat in July 2019, in relation to 2021.

[34] The FC:

(1) *requested* the Secretariat to prepare the first draft of the IPPC Secretariat Work Plan and Budget for 2021 for the FC and CPM Bureau meetings in October 2019.

6.5. Implementation of 5 year ePhyto plan

[35] The FC received an update on ePhyto based on the objectives outlined in the ePhyto 5 year plan.

[36] The Hub is fully functional and the GeNS system is expected to go live by no later than July. A good deal of discussion surrounded the sustainable financing of the project into the future. A key suggestion was to test a business model (e.g. a per ePhyto charge) in a country or countries.

[37] The FC:

(1) *stressed* the importance of adequate funding for ePhyto activities

6.6. IYPH funding gap analysis and actions proposed

[38] The Secretariat reported that the total budget to cover basic and agreed IYPH activities in 2020 is USD 857,000.

[39] The European Union has pledged a contribution of EUR 300,000 to cover costs for the International Plant Health Conference in Helsinki (and other IYPH-related costs), while additional funds were pledged by the Republic of Korea (USD 60,000), Australia (AUD 25,000, France (to be defined) and Kenya (USD 10,000). The United Kingdom of Great Britain and Northern Ireland also contributed funds to the International Plant Health Conference, which are included in the 2019 budget.

[40] The gap to cover costs for 2020 (considering all pledged contributions as granted) is USD 562,000.

[41] The FC:

(1) *supported* the efforts of the IPPC Secretariat in ensuring that IYPH 2020 is fully funded

6.7. CPM-14 decision with financial implications: eCommerce and Emergency pest responses

Update on IPPC e-Commerce project

[42] The Secretariat informed the Financial Committee on the prioritized activities to be undertaken on the project on e-Commerce with the available resources, as Ms Barbara PETERSON, in-kind contribution from Canada, works partly on this topic. The IPPC Secretariat highlighted that as no extra budgetary resources were made available by CPM-14 (2019), some activities cannot be undertaken.

[43] The Secretariat proposed that an informal working group on e-Commerce could be formed under the leadership of Ms Barbara PETERSON.

[44] The FC:

- (1) *agreed* on the creation of an informal working group on e-Commerce.
- (2) *supported* resource mobilization efforts on activities related to the IPPC e-Commerce project during the SPG.

Draft action plan for Strengthening Pest Outbreak Alert and Response Systems

[45] The Secretariat presented a draft action plan for strengthening pest outbreak alert and response systems based on the IPPC Strategic Framework for 2020-2030. The plan includes the financial implications of various activities in the IPPC five-year investment plan. The Secretariat informed the Financial Committee that there are less financial resources than the estimated budget for 2020-2024 drafted by the Financial Committee and noted by CPM-14 (2019). Resource mobilization is therefore necessary for this activity.

[46] The FC:

- (1) *noted* the draft action plan
- (2) *supported* resource mobilization efforts on activities related to IPPC Pest Outbreak Alert and Response System during the SPG

7. Sustainable funding initiative for the FAO Regular Programme Support to the IPPC Work Programme

[47] IPPC Secretariat reported that in early 2019, IPPC Secretariat, CPM Bureau and Financial committee (FC) made strong awareness raising efforts among Contracting parties and Permanent representatives to request FAO Council to support the initiative to increase FAO Regular programme funding to IPPC Secretariat.

[48] As a result, in April 2019, FAO Council requested that “*FAO increase the funding in the PWB 2020-21to the International Plant Protection Convention (IPPC)*”, which is a major milestone in this initiative.

[49] FAO Finance committee is supposed to discuss this matter in its November 2019 meeting and make final decision on the increase in resources.

[50] The FC:

- (1) *noted* the report and *strongly supported* the initiative to increase FAO Regular programme funding to the IPPC Secretariat.

8. FC work plan for 2019

[51] Main focus remains linking IPPC Secretariat Strategic framework for 2020-2030 with the IPPC Secretariat work planning and budgeting processed, starting from IPPC Secretariat Work Plan and Budget for 2021. Also, focus of the work of the FC will be Sustainable funding initiative and resource mobilization for IYPH and ePhyto.

9. Any Other Business

None discussed.

10. Next Meeting

[52] The next meeting is scheduled for 7 October 2019 (morning) in Rome, Italy at FAO-HQ.

11. Closing of the Meeting

[53] The FC Chairperson thanked all FC members and the IPPC Secretariat for the work carried out during the recent period and at the meeting, and expressed hope that this will continue.

Appendix 01 - Agenda

	AGENDA ITEM	DOCUMENT NO.	PRESENTER
1.	Opening of the Meeting		XIA/ WOLFF
2.	Meeting Arrangements		
2.1	Adoption of the Agenda	01_IPPC-FC_2019_June	WOLFF
3.	Administrative Matters		
3.1	Documents list	02_IPPC-FC_2019_June	BENOVIC
4.	Review of Actions Points of the Last Meeting	March 2019 Report	BENOVIC
5.	Progress Reports		
5.1	Work plan and budget of the IPPC Secretariat for 2019	Oral	BENOVIC
5.2	Resource mobilization of the IPPC Secretariat for 2019	Oral	XIA/BENOVIC
6.	Important Work Plan and Budgetary Issues		
6.1	Brainstorming on further improvements of budgetary and financial practices of the IPPC Secretariat – in relation to IPPC Strategic framework 2020-2030		FC
6.2.	Five year investment plan of the IPPC Secretariat - in relation to the IPPC Strategic Framework 2020-2030	CPM 2019/ Doc. no. 30	FC
6.3.	Review on work plan and budget of the IPPC Secretariat for 2020	CPM 2019/ Doc. no 14	BENOVIC
6.4.	Discuss on work plan and budget of the IPPC Secretariat for 2021	Oral	BENOVIC
6.5.	Implementation of 5 year ePhyto plan	CPM 2019/ Doc. no 35	FEDCHOCK
6.6.	IYPH funding gap analysis and actions proposed	03_IPPC-FC_2019_June	AI-DOBAI
6.7.	CPM-14 decision with financial implications: - eCommerce - Emergency pest responses	Oral	BRUNEL
7.	Sustainable funding initiative for the FAO Regular Programme Support to the IPPC Work Programme		XIA/BENOVIC
8.	FC Work Plan for 2019		WOLFF / XIA
9.	Any Other Business		ALL
10.	Next Meeting		XIA
11.	Closing of the Meeting		WOLFF

Appendix 02 - Documents List

DOCUMENT NO.	AGENDA NO.	DOCUMENT TITLE	POSTED
01_IPPC-FC_2019_June	2.1	Agenda	2019-06-04
02_IPPC-FC_2019_June	3.1	Documents list	2019-06-04
CPM 2019/ Doc. no. 30	6.2.	Five year investment plan of the IPPC Secretariat in relation to the IPPC Strategic Framework 2020-2030	2019-06-04
CPM 2019/ Doc. no 14	6.3.	Review on work plan and budget of the IPPC Secretariat for 2020	2019-06-04
Oral	6.4.	Discuss on work plan and budget of the IPPC Secretariat for 2021	2019-06-04
CPM 2019/ Doc. no 35	6.5.	Implementation of 5 year ePhyto plan	2019-06-04
03_IPPC-FC_2019_June	6.6.	IYPH funding gap analysis and actions proposed	2019-06-04

Document	Agenda item	Content
March 2019 Report	4	Last meeting report

Appendix 03 – Action list

#	ACTION	Action from	Responsible	Deadline	Status
Basic set up (ToR & WA)					
1	Review working arrangements of the FC and its membership			Permanent	Ongoing
Resource mobilization					
2	Review Resource mobilization activities of the IPPC Secretariat, Bureau and FC			Permanent	Ongoing
3	Follow up on Sustainable funding initiative for the IPPC work programme and increased FAO regular programme support	Oct-18	IPPC Secretariat	Nov-19	In Process
4	Follow up on Sustainable funding initiative for the IPPC Secretariat voluntary contributions to the IPPC MDTF – follow up on Letter to Ministers	Oct-18	IPPC Secretariat, CPM Bureau, FC	2019	On hold
Work Plan and Budget / Planning and Reporting					
5	Review IPPC Secretariat financial forms (Work plan and Budget, Financial report, Progress reports)			Permanent	Ongoing
6	Use IPPC 5-year investment plan as a starting point in linking IPPC Strategic framework and IPPC Secretariat planning and budgeting processes	Jun-19	IPPC Secretariat	Oct-19	In Process
7	Draft the IPPC Secretariat Work Plan and Budget for 2021	Jun-19	IPPC Secretariat	Oct-19	In Process
8	Discuss IYPH funding gap	Jun-19	IPPC Secretariat	Oct-19	In Process
9	Issue report on the status of ePhyto contributions under the IPPC MDTF	Oct-18	IPPC Secretariat	2020	In Process
Other					
10	Produce information package for incoming FC members	Oct-18	IPPC Secretariat, FC	June-20	In Process