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منظمة  
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# COMMISSION ON PHYTOSANITARY MEASURES

**Sixteenth Session**

**Virtual Meeting, 5, 7 and 21 April 2022**

**IPPC Secretariat financial report 2021**

**Agenda item 12.1**

**Prepared by the IPPC Secretariat**

## **IPPC Secretariat Financial report for 2021**

### **1. Executive Summary**

1. This paper presents the financial report of the International Plant Protection Convention (IPPC) Secretariat for the year ending on 31 December 2021. It includes financial statements for resources available in 2021 from FAO's Regular Programme (RP) budget and the IPPC Extra-Budgetary (EB) Trust Fund sources that were administered by the IPPC Secretariat during the reporting period.
2. This financial report is compiled in accordance with guidelines and recommendations from the Financial Committee (FC) of the CPM Bureau. It includes a three-year trend for all figures, their source of funding (RP and EB), and a breakdown of EB resources by project period. Additional financial breakdowns are also included.
3. In 2021, total resources available to the IPPC Secretariat amounted to USD 8,671,396, comprised of USD 3,552,343 from FAO RP and USD 5,119,053 from IPPC EB (contributions and carry-overs), as shown in Table 1. Total expenditures from both RP and EB sources in 2021 totalled USD 4,374,460, comprised of USD 3,516,539 from FAO RP and USD 857,921 from IPPC EB funds, as shown in Table 1. 2021 Financial year ended with a surplus of USD 35,804 in Regular programme allotment.
4. While FAO RP resources are only available for use during the biennium in which they are provided, resources from IPPC EB sources can be carried forward over to the following year, subject to any stipulations included in the respective Trust Fund and project agreements. Consequently, the difference between available resources and expenditures in the given periods is mainly due to carry-over of IPPC EB resources that remained available for spending in the following year.

**Table 1. Overall financial resources for the IPPC Secretariat for 2021 in USD**

Available Resources (USD)				Expenditures (USD)		
Year	FAO RP Budget	IPPC EB Trust Funds (Contributions, Available project funds and Carry- Overs)	Total	FAO RP Budget	IPPC EB Trust Funds	Total
2019	3,390,049	5,053,547	8,443,596	3,394,066	1,463,160	4,857,226
2020	3,430,378	5,571,918	9,002,296	3,328,196	1,369,504	4,697,700
2021	3,552,343	5,119,053	8,671,396	3,516,539	857,921	4,374,460

5. As a result of resource mobilization efforts and sound financial management, the IPPC Multi-Donor Trust Fund (MDTF) (Special Trust Fund of the IPPC) remains in surplus (carry-over from 2021 to 2022 is USD 3,289,916 compared to 2020 to 2021 carry-over of USD 2,719,336). In 2021, four Contracting parties made contributions to the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) (See Table 4).
6. In 2021, IPPC Secretariat received approximately USD 990 thousand in In-kind (non-financial). Value of In-kind contributions is the best estimate of the costs incurred for the contributing donors (Table 7).

7. The 2021 Budget of the IPPC Secretariat for both RP and EB resources was executed in accordance with the “IPPC Secretariat Work Plan and Budget for 2021” presented at CPM-15 (2021).

**The CPM is invited to:**

- 1) *note* the Financial Report for 2021 of the IPPC Secretariat;
- 2) *adopt* the Financial Report for 2021 of the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) (Table 4);
- 3) *encourage* contracting parties to contribute to the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) and IPPC Projects, preferably on an ongoing basis;
- 4) *thank* contracting parties which contributed to the IPPC Secretariat’s programme of work in 2021.

## 2. FAO Regular Programme

8. In 2021, FAO RP resources allocated for the IPPC Secretariat amounted to USD 3,552,343 (Fig 1), as per FAO’s 2020-2021 Biennial Programme of Work and Budget approved by the FAO Council in 2019 at the level of USD 6.9 million.

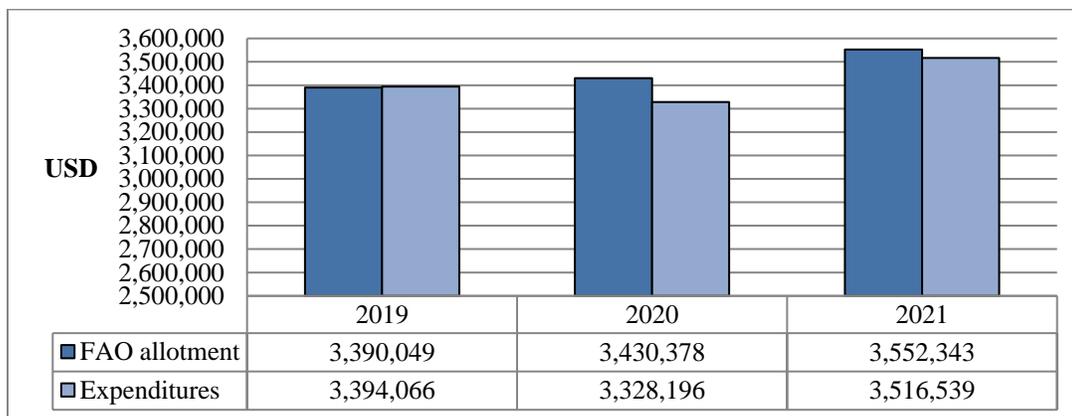


Figure 1. The FAO Regular Programme contribution vs. expenditures for 2019-2021 period (range between USD 2.5 to 3.6 million has been augmented for better graphical representation)

9. In 2021, total FAO RP expenditures of the IPPC Secretariat amounted to USD 3,516,539.

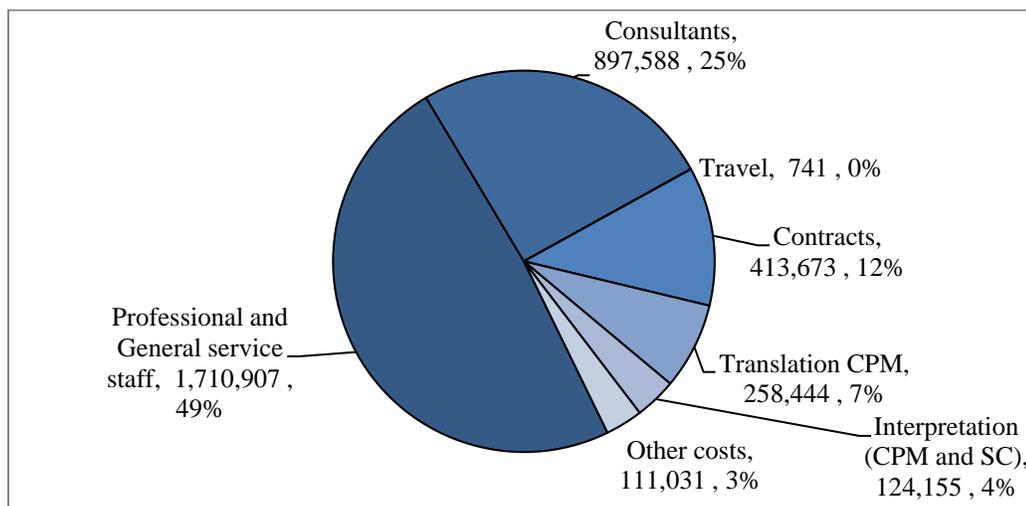


Figure 2. The FAO Regular Programme expenditures by expense type for 2021 (USD)

10. Out of the total FAO RP expenditures in 2021 (USD 3,516,539), USD 2,608,495 related to personnel costs (professional and general service staff and consultants), USD 741 was spent on travel and USD 796,272 was used for contracts, translation and interpretation costs and USD 111,031 was spent on Other costs. In line with recommendations of the Financial Committee (FC), Table 2. shows a detailed breakdown of the FAO RP expenditures.

**Table 2. The FAO Regular Programme expenditures by expense type (in USD) for 2021**

Cost type	2019	2020	2021
Professional and General Service staff	1,806,832	1,951,156	1,710,907
Consultants	694,099	717,355	897,588
Travel	140,772	31,870	741
Contracts	146,190	344,299	413,673
Translation CPM	258,596	92,990	258,444
Interpretation (CPM and SC)	211,460	39,845	124,155
Other costs	136,117	150,681	111,031
<b>Total</b>	<b>3,394,066</b>	<b>3,328,196</b>	<b>3,516,539</b>

11. Table 3. and Fig 3. show a detailed breakdown of the IPPC Secretariat RP expenditures by core activities. Over the last three years, average governance and management costs of the IPPC Secretariat amounted to approximately USD 1.6 million per year. These costs include the organization of meetings of the CPM, Bureau, Financial Committee and Strategic Planning Group, interpretation, translation, temporary staff, catering, meeting travel costs, general management staff salaries, general procurement, communications, financial management, information technology (website and similar), ISPM 15 symbol worldwide registration, and all other costs that are not specifically related to any core activity. Core activities are partially funded by trust fund and project resources (see details in sections below).

**Table 3. The FAO Regular Programme expenditures by core activities (in USD) for 2021**

IPPC Core Activity	2019	2020	2021
Governance/Management/Strategy	1,872,917	1,676,406	2,253,563
Standard Setting	762,562	714,963	746,333
Implementation Facilitation	758,587	936,827	516,642
<b>Total</b>	<b>3,394,066</b>	<b>3,328,196</b>	<b>3,516,539</b>

NB: Distribution of costs by core activities are estimates, while totals remain the same.

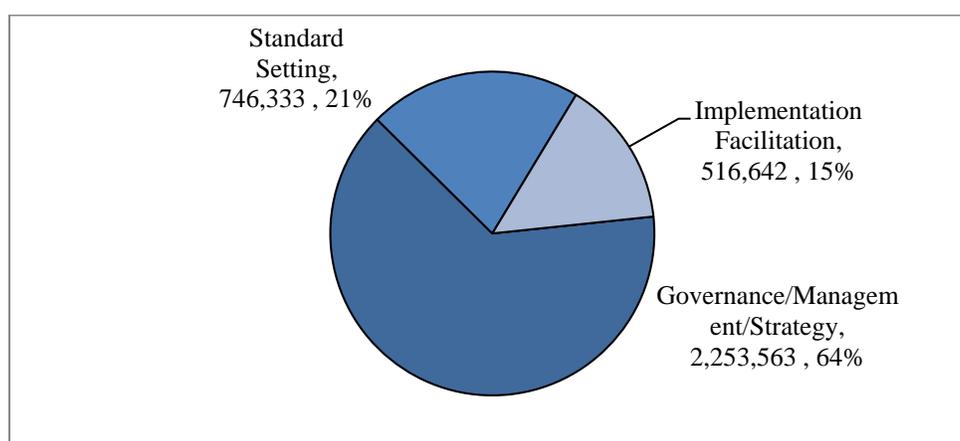


Figure 3. The FAO Regular Programme expenditures by core activities for 2021 (USD)

### 3. IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC)

12. As shown in Fig. 4., the IPPC Multi-Donor Trust Fund (MDTF) contributions in 2021 amounted to USD 643,475, which represents 85% compared to 2020. In 2021, four Contracting parties made contributions to the IPPC Multi-Donor Trust Fund.

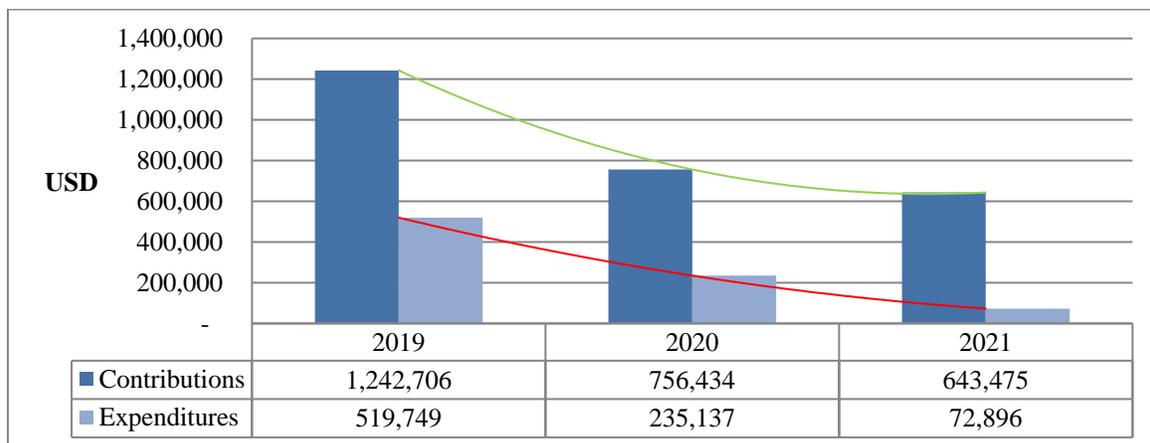


Figure 4. The IPPC Multi-Donor Trust Fund contributions vs. expenditures for 2019-2021

13. The IPPC Secretariat would like to thank all the contracting parties for their contributions to the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC). These generous contributions allow IPPC to expand its capacity and deliver better services to contracting parties. Contracting parties are invited to continue to contribute to the Trust Fund in light of the IPPC's broadened programme of work.

**Table 4. The IPPC Multi-Donor Trust Fund Contributions vs. Expenditures (in USD) for 2021**

<b>Contributions</b>	<b>2004-2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Australia		17,495	-	155,340
Canada		-	180,525	181,388
Ireland		113,766	170,937	-
France		284,091	-	-
New Zealand		150,000	-	-
Kenya		10,000	-	-
Republic of Korea		148,485	222,962	207,033
Switzerland		200,401	-	-
USA/NAPPO		205,000	175,000	100,000
United Kingdom		77,586	-	-
Other		35,882	7,010	-286
<b>Total</b>	<b>7,011,311</b>	<b>1,242,706</b>	<b>756,434</b>	<b>643,475</b>
<b>Expenditures by Cost type</b>	<b>2004-2018*</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Professional and General service staff		17,352	99,335	17,661
Consultants		99,209	94,500	32,372
Travel		47,073	2,831	786
Contracts		303,809	-37,885	983
GOE (translation, interpretation, other)		18,313	18,205	16,751
Other (FAO Support costs, other)		33,992	58,151	4,343
<b>Total</b>	<b>5,536,229</b>	<b>519,749</b>	<b>235,137</b>	<b>72,896</b>
<b>Expenditures by Core activity*</b>	<b>2004-2018*</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Governance/Management/Strategy		130,369	235,137	72,896
Standard Setting		16,315	-	-
Implementation Facilitation		373,064	-	-
<b>Total</b>	<b>5,536,229</b>	<b>519,748</b>	<b>235,137</b>	<b>72,896</b>
<b>Balance</b>	<b>1,475,082</b>	<b>2,198,039</b>	<b>2,719,336</b>	<b>3,289,916</b>

*NB: For ease of reference, prior years (2004-2018) are grouped.*

*\* Distribution of costs by core activities are estimates, while totals remain the same.*

**Table 5. Structure of the IPPC Multi-Donor Trust Fund carry-over balance from 2021 to 2022**

<b>Contracting party/Organization</b>	<b>Activity</b>	<b>Balance as of 31 Dec 2021</b>
Canada	CPS	73,683
	eCommerce	60,789
	e-Phyto	31,546
	Sea Containers	85,484
	SSU (EWG Pest Risk Management)	63,091
	SSU (EWG Risk Assessment Guidance)	47,319
France	CPS	71,023
	TPG	71,023
Ireland	IPHC/IDPH	114,766
Korea	IFU	29,931
	Asian countries travel	19,934
	IPHC	137,195
	IC	100,000
	Governance	70,000
	e-Phyto	56,408
NAPPO/USA	Sea Containers	46,492
Switzerland	CPS	50,000
	Emerging pests	37,869
United Kingdom	IPHC	77,586
<b>Balances of 2020 un-earmarked funds appropriated by the CPM Bureau decision from May 2021</b>		
Laboratory Diagnostic Networking	SSU	40,000
Authorization of entities to perform phytosanitary actions	SSU	20,000
Standards Committee training material	SSU	30,000
Improving the Phytosanitary Capacity Evaluation tool	IFU	110,000
IPP improvement	IST	200,000
Scientific Copy-Editor	IST	80,000
Communication Specialist	IST	87,066
ePhyto support for UNICC	ePhyto	60,000
<b>Un-earmarked funds from 2021</b>		<b>797,344</b>
<b>Un-earmarked funds from previous years</b>		<b>621,367</b>
<b>Total (USD)</b>		<b>3,289,916</b>

14. For higher transparency and accountability purposes, Table 5. shows the structure of the carry-over balance from 2021 to 2022.

#### 4. The IPPC Projects

15. Based on the Financial Committee (FC) recommendations, Table 6. shows a detailed breakdown of the IPPC Projects (active in 2021) and their budgets, expenditures and balances (at 31 December 2021) operated by the IPPC Secretariat between 2017-2021. Together with the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC), these projects provide essential financial resources for specific IPPC Secretariat activities. In 2021, the IPPC Secretariat administered 6 IPPC Projects and 3 APO programmes. Each project has its specific purpose and all budgets were executed in accordance with the signed agreements. The IPPC Secretariat is committed to execute all the activities within the project scope and budget and meet reporting requirements.

**Table 6. The IPPC Projects implemented by the IPPC Secretariat for 2021**

16. The IPPC Secretariat appreciates the generous contributions to the IPPC Projects from contracting parties and relevant organizations which allow the IPPC Secretariat to expand its capacity and deliver better services. Contracting parties and relevant organizations are invited to continue to contribute to IPPC Projects in the light of the increased demands from the Secretariat.

Project title	Donor	Status at 31 Dec 2021	Start date	End date	Budget	Prior expenditures	2021 Expenditures	Balance at 31 Dec 2021
<b>European Union projects</b>								
EU Support to IPPC (GCP/GLO/025/EC)	EU	Active	01/01/2020	31/12/2022	1,055,556	87,330	125,792	842,434
IRSS Project (GCP/GLO/877/EC)	EU	Active	01/02/2018	31/05/2022	734,715	370,078	78,113	286,524
Support to Strategic Framework (GCP/GLO/040/EC)	EU	Active	01/07/2020	30/06/2023	1,029,989	45,549	61,472	922,968
<b>Other projects</b>								
Beyond Compliance (MTF/GLO/336/STF)	STDF	Closed	01/07/2018	30/06/2021	568,966	309,867	87,023	172,076
China SSC Project (GCP /INT/291/CPR)	China	Active	24/02/2017	31/12/2023	2,007,541	1,079,126	100,337	828,078
PCE Nepal (GCP/GLO/478/WBK-F)	World Bank	Active	22/01/2021	30/06/2022	42,960	0	28,870	14,090
<b>Secondment and APO programmes</b>								
MAFF Secodment (GCPT/GLO/102/JPN)	Japan	Active	01/10/2020	30/09/2025	1,006,180	20,984	181,314	803,882
APO Programme (GCPA/INT/489/FIN)	Finland	Closed	15/04/2020	10/09/2021	321,427	99,470	95,530	126,427
APO Programme (GCPA/INT/346/CPR)	China	Closed	03/09/2018	02/03/2021	405,127	320,384	26,574	58,169
<b>Total (USD)</b>					<b>7,172,461</b>	<b>2,332,788</b>	<b>785,025</b>	<b>4,054,648</b>

## 5. The IPPC In-kind (non-financial) contributions

**Table 7. The IPPC In-kind (non-financial) contributions provided to the IPPC Secretariat in 2021**

Contracting parties and organizations	Activities (work areas)	Types of contribution (staff time, meeting support)	Estimated amount in USD
Antigua and Barbuda	IPPC Network	Meeting support for the IPPC Regional Workshop for the Caribbean	5,000
APPPC	IPPC Network	Meeting support for the IPPC Regional Workshop for Asia	5,000
Australia	Trade Facilitation	Staff time of two officers for ePhyto activities	100,000
AU-IAPSC	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa	5,000
Brazil	Standard setting	Standard Setting Unit (SSU) work on governance, expert working groups, technical panel on diagnostic protocols (TPDP), and some development agenda items of the IPPC Strategic Framework. Also, to support the IST on the CPM Focus Group on Climate Change and Phytosanitary issues.	160,000
CAHFSA	IPPC Network	Meeting support for the IPPC Regional Workshop for the Caribbean	5,000
CAN	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America and translation of IPPC regional workshop material into Spanish	6,000
Canada	Trade Facilitation	Staff time for e-Commerce Coordinator (100%) for 12 months and associated travel for the officer	200,000
China	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
COLEACP	Implementation Facilitation	Translation of eight IPPC guides in French	10,000
		Staff time to edit the training material for the e-Learning courses on Pest Risk Analysis and Export Certification	5,000
		Staff time to develop the IT version of the e-Learning courses	5,000
Mexico	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America	5,000
COSAVE	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America	5,000
Egypt	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
Chile	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
EPPO	IPPC Network	Meeting support for the IPPC Regional Workshop for Europe and Central Asia	5,000

European Commission	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
FAO Kenya	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa	5,000
FAO Regional Office for Africa	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa	5,000
FAO Regional Office for Europe	IPPC Network	Meeting support for the IPPC Regional Workshop for Europe and Central Asia	5,000
FAO Regional Office for Near East	IPPC Network	Meeting support for the IPPC Regional Workshop for the Near East and North Africa	5,000
FAO Sub-Regional Office for the Caribbean	IPPC Network	Meeting support for the IPPC Regional Workshop for Caribbean	5,000
France	Implementation Facilitation	Staff time of one officer from January to June (50%) for Implementation Facilitation and ePhyto	30,000
Kenya	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa	5,000
Lebanon	IPPC Network	Meeting support for the IPPC Regional Workshop for the Near East	5,000
Republic of Moldova	IPPC Network	Meeting support for the IPPC Regional Workshop for Europe and Central Asia	5,000
OIRSA	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America	5,000
PPPO	IPPC Network	Meeting support for the IPPC Regional Workshop for the South West Pacific	5,000
Republic of Korea	IPPC Network	Meeting support for the IPPC Regional Workshop for Asia	5,000
United States of America	IPPC Network	Staff time of one officer (100%) for one year supporting governance, communication, IYPH legacies and network activities	160,000
	Trade Facilitation	Staff time of one officer (50%) for ePhyto activities	100,000
<b>Total (USD)</b>			<b>991,000</b>

17. In 2021, IPPC Secretariat received approximately USD 990 thousand in In-kind contributions. Value of In-kind contributions is the best estimate of the costs incurred for the contributing donors.

## 6. IYPH contributions and expenditures

18. As requested by a contracting party at CPM-14, Table 8. Shows detailed breakdown of contributions and expenditures in relation to IYPH for the period 2015-2021.

**Table 8. Details on IYPH contributions and expenditures for the period 2015-2021**

<b>Contributions</b>	<b>2015-2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>1. Multi-Donor Trust Fund</b>	<b>167,227</b>	<b>80,000</b>	<b>404,909</b>	<b>220,937</b>	<b>-</b>
Australia	-	-	17,495	-	-
France	-	-	142,046	-	-
Ireland	27,352	-	56,883	170,937	-
International Seed Federation (ISF)	9,875	-	-	-	-
Kenya	-	-	10,000	-	-
Republic of Korea*	60,000	50,000	98,485	50,000	-
USA/NAPPO	70,000	30,000	80,000	-	-
United Kingdom**	-	-	-	-	-
<b>2. China (FAO-China project)</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>267,227</b>	<b>80,000</b>	<b>404,909</b>	<b>220,937</b>	<b>-</b>
<b>Expenditures by Cost type</b>	<b>2015-2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Professional and General service staff	-	-	-	111,479	71,695
Consultants	-	70,190	122,623	154,354	54,010
Travel	34,521	29,979	22,085	700	-
Contracts	908	-	7,041	3,389	983
GOE (translation, interpretation, other)	5,797	7,821	3,236	19,269	32,408
Other (FAO Support costs, other)	2,474	6,536	9,986	65,074	21,825
<b>Total</b>	<b>43,700</b>	<b>114,526</b>	<b>164,971</b>	<b>354,265</b>	<b>180,921</b>
<b>Expenditures by IYPH Budget</b>	<b>2015-2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Staff and non-staff human resources	-	74,401	67,095	196,061	76,212
Meetings and events	37,555	31,778	25,483	5,811	28,292
Communication and advocacy	6,145	8,347	72,393	152,393	76,416
<b>Total</b>	<b>43,700</b>	<b>114,526</b>	<b>164,971</b>	<b>354,265</b>	<b>180,921</b>
<b>Balance (USD)***</b>	<b>223,527</b>	<b>189,001</b>	<b>428,939</b>	<b>295,611</b>	<b>114,689</b>

NB: For ease of reference, prior years (2015-2017) are grouped.

\*A portion of USD 40,162 from 2020 contribution moved to IPHC budget.

\*\* Full contribution of USD 77,586 from 2019 moved to IPHC budget.

\*\*\* As per IYPH SC decision, balance of USD 114,689 to be moved to IDPH and IPHC budgets.

## **7. Conclusion and Perspectives**

19. The financial position of IPPC Secretariat is stable and increasing in FAO RP funding, as FAO Council in December 2019 increased biennial allotment to the IPPC Secretariat by USD 1 million since the 2020-2021 biennium. However, due to the ever increasing requests by the CPM, the programme of work of the IPPC Secretariat is constantly expanding and current extra-budgetary support needs to be increased to address the CPM's requests and for the IPPC Secretariat to deliver its work programme in a sustained way.
20. The IPPC Secretariat is grateful to all the contracting parties and relevant organizations that supported its programme of work, financially or in-kind in 2021. The IPPC Secretariat also invites contracting parties and relevant organizations to pledge their 2022 contributions during the CPM-16 meeting and support the IPPC mission.