Sustainable funding of the ePhyto solution

Background and purpose

This paper outlines options for sustained funding of the IPPC ePhyto Solution and seeks feedback and guidance from the Strategic Planning Group, prior to finalising a paper with recommendations for CPM 17 (2023).

The IPPC ePhyto solution enables countries to produce, send and receive harmonized electronic phytosanitary certificates with other participating NPPOs through the ePhyto Hub in a secure, low cost, and efficient manner. The initial stages of the development and implementation of the ePhyto solution were supported by the Standards and Trade Development Facility and donor countries

CPM 14 (2019) considered but did not agree a 5-year plan for the ePhyto solution. There were calls for a sustainable funding model to be established that did not rely on donors.

At CPM 15 (2021), the Secretariat presented a paper[[1]](#footnote-1) with seven options for financially sustaining the IPPC ephyto solution. CPM 15 agreed to establish a focus group to prepare a funding proposal for CPM to consider in 2023. In the interim the ephyto solution would continue to be funded through donor country contributions (however there is no guarantee that sufficient funding will be available).

# Scope

The scope of the sustainable funding mechanism the focus group is developing is set out below.

|  |  |
| --- | --- |
| **In Scope** | **Out of Scope** |
| * How to fund the operation, on-going development and management of the ePhyto Solution at the international level.
 | * How countries fund the export or official assurance system in their own country
 |
| * Identifying viable mechanisms for funding.
 | * How countries fund the infrastructure to send or receive ePhytos
 |
| * What costs should be included within the funding envelope (e.g. should promotion, education, assisting countries to join ephyto, etc be part of the costs?)
 | * If there is a fee for countries to use ePhyto, how the countries gather the finance to pay the fee
 |
|  | * Implementing the sustainable funding mechanism CPM agrees.
 |
|  | * How countries may seek payment from industry to cover the costs of export checking and the use of parts of the ePhyto Solution such as the Hub or the GeNS.
 |

# Discussion

The IPPC ePhyto Solution has become part of the core international infrastructure to facilitate safe global trade in plants and plant products (see Figure 1 for usage data).

Figure 1: Monthly exchange of ePhytos
Source: IPPC ep Hub Service – Hub Monthly Report June 2022

By 2025 the estimated annual cost will reach USD 933,000 (inflation adjusted) to support, maintain and enhance the core elements: IPPC ePhyto Hub, the Generic National System and programme management and support from the IPPC (Table 1). Annex 1 provides full cost estimates and considerations.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Cost** | **2022** | **2023** | **2024** | **2025** |
| **UNICC Operations – including Management and Support (Hub and GeNS)** |   |   |   |   |
|          UNICC Hub Operations | 164,000 | 164,000 | 164,000 | 164,000 |
|          UNICC GeNS Operations | 247,000 | 247,000 | 300,000 | 300,000 |
|          Further enhancements and development |   | 89,000 |   |   |
| 89,000 | 89,000 |
|          Inflation adjustment |   | 41,000 | 54,000 | 60,000 |
| **SUB-TOTAL** | **411,000** | **541,000** | **607,000** | **613,000** |
|   |   |   |   |   |
| **ePhyto Program Management and Support (IPPC)** |   |   |   |   |
|          ePhyto Program Manager\* | 100,000 | 100,000 | 100,000 | 200,000 |
|          ePhyto Program Assistant | 50,000 | 50,000 | 50,000 | 50,000 |
|          Travel | 20,000 | 50,000 | 60,000 | 70,000 |
| **SUB-TOTAL** | **170,000** | **200,000** | **210,000** | **320,000** |
|   |   |   |   |   |
| **Total Operational Costs in USD** | **581,000** | **741,000** | **817,000** | **933,000** |

Table 1. Costs association with operating the IPPC ePhyto Solution
Source: IPPC Secretariat

At CPM 16 (2022) several contracting parties shared their experience of the ePhyto Solution, commenting on how it reduces the incidence of fraudulent phytosanitary certificates, saves time, facilitates data management and decision-making, and how beneficial it has been during the COVID-19 pandemic. It was also acknowledged that some countries can experience difficulties implementing ePhyto because of inadequate infrastructure.

Funding of the development, maintenance and implementation of the IPPC ePhyto Solution currently relies on donors. It is untenable in the long-term for countries to rely on a system for provision of trade-related official assurances (the ePhyto Solution) that is solely funded by voluntary donations. This puts international trade at risk, makes long-term planning difficult and results in efforts mainly being focussed on securing donor funding rather than maintaining, developing, and implementing ePhyto. A robust and sustainable funding arrangement will provide a financially secure base and enhance confidence in the system.

The ePhyto sustainable funding focus group (ePhyto FG) was established in April 2022. The proposals and questions in this paper are the result of discussions and work of that group.

## Principles

CPM 15 (2021) noted some fundamental principles for consideration in developing a sustainable funding mechanism for the ePhyto Solution, including fee exemptions for countries with low usage, payments being based on usage, and that an ePhyto funding mechanism should not be used to support other IPPC activities. The ePhyto FG acknowledged these principles and developed the following to guide discussions on options.

**Equity**
The sustainable funding mechanism must not create unequal rights or access. This recognises that ePhyto is for all contracting parties and that the benefits of the ePhyto solution are available to all participating NPPOs.

**Accessible**
The sustainable funding mechanism must ensure that all participating NPPOs who wish to access ePhyto are able to do so. It must not present or create unreasonable barriers to entry and should enable maximum participation by NPPOs and may do this by putting in place free or low-cost thresholds or similar for Least Developed economies.

**Transparent**
All costs, cost components and usage information and data must be available to all participating NPPOs and reported on regularly. Any calculations used to determine contributions must be transparent to enable accountability and maintain confidence in the funding mechanism.

**Efficient**
The sustainable funding mechanism must aim to provide the maximum benefit at a cost affordable to those who are paying. The mechanism needs to be clear, auditable, simple to administer, and facilitate fund transfer / collection.

**Userpays**Only those who use the ePhyto solution should bear the cost associated with it. Note that this principle may not always be applied to all users in favour of other principles, e.g. efficient, accessible.

#

# Options for sustainable funding of the ePhyto Solution

There are three components to a sustainable funding mechanism:

* Scope of costs to include or exclude
* How to apportion costs across users
* An efficient and effective payment system

As a baseline, the ePhyto FG proposes that, to ensure transparency, ePhyto Solution costs, revenue and usage are reported on annually to CPM. Note that it is challenging to perfectly align revenue and expenses and as a result there is a likelihood of either under or over charging. To limit either significant surpluses or shortfalls accumulating, funding contributions should be reviewed regularly, for example every two years. In addition, the ePhyto FG propose that after the funding solution and system are established, that they reviewed after five years to ensure they are working as intended, with the aim of proposing relevant changes.

Note that of the seven options presented at CPM 15 (2021), none were selected by CPM as warranting further development or consideration. For completeness, these are presented in Annex 2 with a comment on how they were considered by the ePhyto FG.

## Scope of costs to include or exclude

1. **Include all fixed costs, maintenance, enhancements, communications, secretariat support, and future governance costs of both the Hub and GENS**

**Advantages**This option keeps the costs contained to direct actual costs of providing the ePhyto Solution. It ensures that funding is available for on-going maintenance and enhancement e.g. security updates, addition of languages) as well as operational costs.

**Disadvantages**No real disadvantage; this option covers all costs need to operate, maintain and undertaken necessary enhancements.

1. **All costs (same as option 1) plus an additional amount (USD 320,000) for basic level capacity development and support to assist initial uptake by NPPOs. More comprehensive capacity development could be provided to NPPOs by donor organisations. See the Capacity Building Section of the cost paper at Annex 1 for details. Note that over time the level of funding needed for capacity development is likely to decrease as ePhyto participation increases.**

**Advantages**
Same advantages as above. It also acknowledges the ePhyto Solution as a core strategic priority for IPPC and avoids complete reliance on donors to help countries build capacity to implement it. Funding basic capacity development would enable more users in the system and would therefore more beneficial for trade overall. It would assist greater equity and accessibility. Some of the additional costs, including for a two-yearly ePhyto conference, and for regular webinars, would benefit all users and potential users.

**Disadvantages**An increased scope of costs increases the overall costs and would mean that some users are indirectly subsidising / supporting other NPPOs to adopt the system. Such indirect support may not work be acceptable to some contracting parties.

## How to apportion costs across users

All options provide an assured income stream.

1. **Apportion costs according to annual number of ePhyto certificates sent and received via the Hub. Contracting parties pay the direct proportion of their total transactions through of the Hub. For example, in a year where the Hub has 2 million transactions, a contracting party that has a total of 100,000 transactions through the Hub would pay 5% of the estimated cost of the ePhyto Solution for that year.**
**ePhyto transactions for Least Developed economies and contracting parties with a very low level of transactions could be exempt from the calculation of total transactions and would therefore not pay. This is for efficiency reasons to ensure the cost of processing a payment does not exceed the payment amount.**

**Advantages**:
This is based on a beneficiary pays model – those who benefit pay in proportion to their use. The efficiency principle is also applied by exempting contracting parties with very low transaction levels.

**Disadvantages**
It may not meet the accessibility principle if the annual cost for any contacting party is considered unaffordable.

1. **Charge all contracting parties that use the ePhyto Solution a base fee based on a recognised developed status already used by the IPPC when determining travel assistance to meetings (World bank[[2]](#footnote-2) criteria of assessment of the development of a country, which is published annually). Then apportion the remainder of the costs as above in direct proportion to usage. Total contribution per NPPO would be the sum of the base fee and usage fee.
Least developed countries: No fee
Low income countries: USD 2,500
Lower middle income countries: USD 5,000
Upper middle income countries: USD 10,000
High income countries: USD 20,000**

**Advantages**
Reduces the barriers to participation and promotes accessibility. It provides an acknowledgement of development status but also applies the user pays principle so that users contribute to the cost of ePhyto Solution. The overall quantum of base fee is not so large as to presents a disincentive to participation.

**Disadvantages**
It may be more complicated to administer than a simple proportion. Basing a portion of the contribution on a contracting party’s development status means that some users would be indirectly assisting / supporting other users. Such indirect support may not be acceptable to all contracting parties.

1. **FAO to cover all ePhyto Solution costs as per Scope 1 or Scope 2 above, as a component of business-as-usual operations for FAO as an organisation. This would require the FAO Council to recognise the benefits of the ePhyto Solution and then agree to pay for them. It would require active lobbying by Contracting Parties though their FAO representative as well as lobbying in individual countries to ensure alignment with national goals and objectives regarding FAO operations.**

**Advantages**Eliminates the need for IPPC Contracting Parties to provide resources directly. Maintains impartiality, non-biased, non-preferential access to the ePhyto Solution in line with the accessibility principle. This option is also aligned with the efficiency principle. If it were a fixed item in the FAO operating budget, it would have long term certainty. The FAO would be seen to be using FAO funds for something that is delivering significant benefit to developing countries.

**Disadvantages**It would be a less flexible funding option as the amount of funding available would be constrained by and could be changed by FAO budget processes each biennium. Past experience suggests that the FAO may be unlikely to agree to this option.

1. **Establish the funding mechanism using Apportion 1 or Apportion 2 above, but also allow contracting parties and other donors to provide funds through the multi-donor trust fund to enable financial contributions from stakeholders and partner organisations in accordance with rules to ensure transparency**

**Advantages**Donations could be used to fund capacity development to enable more countries to take up the ePhyto solution. The overall costs needed to be charged to contracting parties reduces and this supports the accessibility principle.

**Disadvantages**Donations may vary significantly from year-to-year, causing unpredictable shifts in charges to contracting parties from year-to-year.

## An efficient and effective payment system

1. **(for Apportion 3) FAO pays the cost of the ePhyto Solution. No additional system is needed other than provide the normal budget and spending reports to CPM so contracting parties understand costs, spending patterns and other aspects of administering the ePhyto programme.**
2. **(for Apportion 1 and 2) Publish ePhyto usage and level of voluntary contribution by NPPO in CPM annual report. Include payment details for the IPPC Multi donor trust fund. Note that no NPPO would be excluded from accessing the ePhyto Solution due to not making their contribution, but if this is option is part of the funding mechanism, then mitigating non-payment should be explored as part of implementing it.**

**Advantages**
This would be transparent and simple to implement. It avoids a complex invoicing system. Would formalise commitments and stabilise the revenue stream

**Disadvantages**It is not a legally enforceable mechanism and relies on NPPOs making their contribution.

SPG is invited to:

1. *Review* the principles and options presented in this paper
2. *Provide* feedback and guidance on options in this paper
3. *Recommend* which options it would like the ePhyto FG to develop further and recommend to CPM17 (2023)

**CPM Focus Group on Sustainable Funding**

**for the IPPC ePhyto Solution**

**Revised Cost Estimates**

**Rev 4**

**Updated Draft, 21 September 2022**

**1. Introduction and Purpose**

As part of the work of the CPM Focus Group on Sustainable Funding for the IPPC ePhyto Solution, this paper presents the latest estimates for the full operational cost of the International Plant Protection Convention (IPPC) ePhyto Solution up to 2025, based on the current figures provided by the IPPC secretariat. This paper also draws on information contained in the 2018 IPPC ePhyto Solution Business Model “Options and Recommendations, 20 June 2018, Final Formatted”, hereafter referred to as “the 2018 Report”. At this time, this paper does not consider possible funding options or models to cover the above costs as this will be considered separately be the CPM Focus Group on Sustainable Funding.

**2. Costs Associated with Operating the ePhyto Solution**

The following are assumed costs of supporting and maintaining the ePhyto Solution. This paper will focus on the following:

* United Nations Information Computing Centre (UNICC) operations:
	+ IPPC ePhyto Hub
	+ Generic National System (GeNS)
	+ Further Enhancements and Developments
* ePhyto Solution Program Management and Support from IPPC

Estimates provided by the IPPC Secretariat in July 2022 indicate the following breakdown for these costs:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Cost** | **2022** | **2023** | **2024** | **2025** |
| **UNICC Operations – including Management and Support (Hub and GeNS)** |   |   |   |   |
|          UNICC Hub Operations | 164,000 | 164,000 | 164,000 | 164,000 |
|          UNICC GeNS Operations | 247,000 | 247,000 | 300,000 | 300,000 |
|          Further enhancements and development |   | 89,000 |   |   |
| 89,000 | 89,000 |
|          Inflation adjustment\* |   | 41,000 | 54,000 | 60,000 |
| **SUB-TOTAL** | **411,000** | **541,000** | **607,000** | **613,000** |
|   |   |   |   |   |
| **ePhyto Program Management and Support (IPPC)** |   |   |   |   |
|          ePhyto Program Manager | 100,000 | 100,000 | 100,000 | 200,000 |
|          ePhyto Program Assistant | 50,000 | 50,000 | 50,000 | 50,000 |
|          Travel | 20,000 | 50,000 | 60,000 | 70,000 |
| **SUB-TOTAL** | **170,000** | **200,000** | **210,000** | **320,000** |
|   |   |   |   |   |
| **Total Operational Costs in USD** | **581,000** | **741,000** | **817,000** | **933,000** |

Note 1: 2022 funding comes from voluntary contributions from Canada, Republic of Korea, Ireland and USA.

Note 2: The increase in annual costs for the ePhyto Manager from 2024 to 2022 ($100,000 to $200,000) is due to the movement to a formal post for this position as compared to the current consultancy arrangement. This position is just a proposal, it has not been formally approved by FAO.

Note 3: Job Descriptions for both the ePhyto Program Manager and the ePhyto Program Assistant are provided in Annex A . See Section 2.1 for details.

\* Inflation is estimated at 10% per year

**2.1 Assumptions and Comments on IPPC Estimates**

The level of the position for the ePhyto Programme Manager position should be determined by the FAO Administration, based on a detailed job description (See Annex A). For the purpose of this paper, at least a middle management level position is assumed in order to properly manage the service. Within the UN system, a middle level management position is termed a Professional Level 4 position (P4). This Post is currently filled under a consultancy arrangement.

Similarly, the level of the position for the ePhyto Programme Assistant position should be determined by the FAO Administration, based on a detailed job description (see Annex A). For the purpose of this paper, a junior professional level position is assumed in order to properly support the service. Within the UN system, a junior level management position is termed a Professional Level 2 position (P2).

Both the ePhyto Program Manager and the ePhyto Program Assistant positions would be fully dedicated to supporting the ePhyto program.

The staffing levels for the ePhyto secretariat should be reviewed overtime to determine if they are adequate to provide optimum service and support to the programme

IPPC indicated the above cost estimates for the Hub are accurate up to 2025. The cost estimates noted in the 2018 report were based on a Hub capacity of up to 7 million ePhytos per year – significantly above the current total usage of approximately 1.5 mission ePhytos per year, so the Hub still has considerable capacity for an increased volume of ePhyto exchanges.

Regarding the estimates for GeNS costs ($247,000 per year in 2022 and 2023), the 2018 paper indicated that such estimates were based on 9 countries using the GeNS with 1,400 users, and the capacity to absorb up to 11 countries with 1,700 users. However, there are already up to 20 GeNS countries in production exchanges, and this is likely to increase significantly over the next 5 years. On this basis, the IPPC Secretariat increased the estimates for 2024 and 2025 to $300,000 per year - but this is still under review.

The IPPC indicated that the Travel Budget includes limited travel of IPPC staff for work related meetings and for the occasional travel of external experts to provide training and support to new implementing countries (approximately USD 5,000 per trip per expert).

The overall operating costs of the ePhyto solution should be reviewed on a biennial basis.

**3. Estimate of Operational Costs per ePhyto**

Latest figures from UNICC indicate that 1.4 million ePhytos were exchanged through the Hub in the past 12 months to May 2022. This is equivalent to an average of 113,000 ePhytos per month. As can be seen from the graph below, the number of ePhytos exchanged per month is steadily increasing, and the monthly average for March to May 2022 was 133,000.

Assuming a total operational cost of USD 581,000 in 2022 as detailed in Section 2 above and taking the estimate of 1.4 million ePhytos exchanged in the past 12 months, the current average IPPC/UNICC operational cost of exchanging an ePhyto is USD 42 cents. Clearly, as the total operational costs and the volume of ePhytos exchange increases, this average cost per ePhyto will change, and will most likely decline, especially if countries such as China and India start exchanging through the Hub.

This is only one part of the puzzle and there are, of course, additional ePhyto operational costs at both the NPPO and business operator level. There are also many other ways of presenting costs, so this is just one example for illustrative purposes.

**4. ePhyto Requirements Related to Capacity Building for Onboarding Developing Countries**

**4.1 Background**

Out of the 183 IPPC member countries, 70 are currently (July 2022) exchanging ePhytos through the IPPC Hub. 50 of these connect their National Systems (NS) to the Hub, while the remaining 20 use the Generic ePhyto National System (GeNS) to connect to the Hub. A further 42 countries are in the process of joining the Hub, while the remaining 71 members are still not registered with the system[[3]](#endnote-1).

At least some of the countries currently in the process of joining the Hub or not yet registered will require capacity building (CB) support in implementing and using the ePhyto Solution. The provision of such support will be critical to the continued expansion and success of the ePhyto Solution project. It is noted that the lack of technical skills and experience was emphasised by NPPOs as a key potential obstacle in implementing the ePhyto Solution[[4]](#endnote-2).

The extent of CB support required, and the nature and delivery of such support, will vary enormously from one country to the next, depending on the requirements of individual NPPOs and their level of maturity regarding IT infrastructure and expertise. For some countries, implementing GeNS has proven to be quite straight forward, while others required considerable support both from a business process and IT equipment perspective, along with related training and change management support.

In a similar vein, some countries with existing National Systems for Phytosanitary Certificate management have been able to interface their system relatively easily to the Hub, while others have required considerable support and technical modifications to achieve this connection.

To date, the IPPC and the UNICC have provided limited support and training to countries implementing ePhyto. This has been complemented in some countries by more comprehensive technical assistance and capacity building projects undertaken by organizations such as the Global Alliance for Trade Facilitation[[5]](#footnote-3) and the World Bank? It is noted that the Alliance now has a partnership agreement with IPPC to provide such support[[6]](#footnote-4) and is currently assisting nine countries implementing ePhyto[[7]](#footnote-5).

**4.2 Proposed Capacity Building Approach for IPPC**

In order maximise update of the use of the ePhyto solution an agreed sustainable funding model needs to be accompanied by a separately funded capacity development programme.

The cost of Capacity Building to support a country to implement the ePhyto solution depends primarily on the amount of effort required and the type of solution to be implemented (GeNS, NS Interface, or full development of a NS). Such costs could vary anywhere from around $20,000 for very basic GeNS training and support to over $2 million for implementation of a full NS. Experience to date indicate that the average cost of ePhyto capacity building ranges from around $20,000 for basic GeNS training and initial support to over $400,000 for more comprehensive GeNS implementation (including items such as IT equipment, training, Business Process Analysis and redesign, legal reform, implementation of sSignature, change management, etc).

Given the potential range of costs and resource requirements of a full capacity building programme for ePhyto implementation, the Focus Group recommends that the IPPC Secretariat should focus on the provision of basic technical support and training to requesting NPPOs, and should establish a limited facility for this. A per-country support package is suggested, consisting of an initial assessment, evaluation and training mission of up to 5 days on-site, followed by up to 15 days training and support (on-site and off-site as required). This would cost approximately $20,000 per country (expert fees, Daily Sustenance Allowance (DSA), and travel) based on current FAO consultancy rates and normal travel and accommodation arrangements[[8]](#footnote-6). It is suggested that this programme be established to support up to 10 countries per year, for a total annual cost of $200,000. This requirement may diminish over time but it is unlikely to be eliminated completely. Therefore, an ongoing longer-term capacity building programme of around $100,000 per annum is recommended as a core component of the overall ePhyto Solution programme.

The Sustainability Group suggest that the provision of more comprehensive capacity building should be the role of other agencies, assisted by and closely coordinated with the IPPC and UNICC.

**4.3 Other Capacity Building and Outreach Support**

In addition to the above capacity building, the Sustainability Group recommends that the IPPC develop training webinars, on-line videos and other training material in at least English, French and Spanish, describing the ePhyto Solution, introducing new ePhyto enhancements, and profiling the experiences of NPPOs in implementing the ePhyto Solution. The IPPC secretariat have estimated that an annual allocation of $30,000 would be needed for this activity.

Further, in order for NPPOs to share experience and build a network of experience in implementing ePhyto, and to encourage countries that have not already started the process, it is recommended that the IPPC Secretariat continue the ePhyto Symposium series and organize a global seminar or workshop, at least one every 2 years. The IPPC secretariat has estimated that a full international Symposium is likely to cost up to $200,000, so an allocation of $1000,000 per year would be needed for this activity.

**4.4 Conclusion**

The total cost of the above capacity development activities, as detailed in Table 1 below, would be around $320,000 per annum.

**Table 1**

**Estimated Capacity Building Annual Costs**

|  |  |  |
| --- | --- | --- |
| **CB Area** | **Detail** | **Estimated Annual Cost (US $)** |
| IPPC specific NPPO CB support | 10 countries per year at $20,000 per country | 200,000 |
| Additional general support | International ePhyto Solution Conference and Training (one every 2 years) | 100,000 |
| Webinars, On-line seminars, etc | 30,000 |
|  |  |  |
| **TOTAL** | **330,000** |

**The combined annual Total Operation Cost plus Capacity Building is detailed in the summary table below.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Type of Cost** | **2022** | **2023** | **2024** | **2025** |
| **Total Operational Costs in USD** | **581,000** | **741,000** | **817,000** | **933,000** |
| **Capacity Building Costs in USD** | **330,000** | **330,000** | **330,000** | **330,000** |
|  |  |  |  |  |
| **Grand Total in USD** | **911,000** | **1,071,000** | **1,147,000** | **1,263,000** |

**Annex A**

**Job Descriptions**

**ePhyto Program Manager:**

The ePhyto Program Manager (ePM) is responsible for ensuring the smooth functioning of the IPPC ePhyto Solution, the IPPC “face” of the ePhyto Solution and problem solver for any issues, both technical and political, that may come up.  In this capacity, the ePM interacts with a variety of ePhyto stakeholders. These stakeholders include: 1) FAO and the IPPC contracting parties, 2) the ePhyto Steering Group (eSG) made up of seven FAO regional representatives with expertise in both plant health and electronic certification matters, 3) the United Nations International Computing Center which is the technical provider for the system, 4) the ePhyto Industry Advisory Group, an independent body of global industry organizations that provides support for the implementation of the system in various countries through webinars and workshops, among other things, 5) the Global Alliance for Trade Facilitation, the key implementation partner for the web-based GeNS part of the ePhyto Solution and proponent for the adoption of ePhyto in many countries around the world, 6) the World Bank, which provides support in connecting to various digital Customs systems in some developing countries around the world, and 7) the Electronic Certification Advisory Committee hosted by the WTO and STDF which serves to bring the many different certification bodies (SPS and others) together to discuss current activities and future outlooks.

The position requires a high level of tact, a forward-looking attitude for the digitalization of SPS certificates in general, an ability to be flexible and innovative, and a thorough knowledge of the abilities of the ePhyto system.

**ePhyto Program Assistant:**

The ePhyto Program Assistant supports the program manager in the above activities through helping to draft meeting reports, setting up and keeping track of meetings, having a thorough knowledge of program activities and acting as a de facto deputy when needed in the absence of the ePhyto Program Manager.

## Options from CPM 15

1. Fixed charge per phytosanitary certificate payable to the IPPC Secretariat by the contracting party for the maintenance and options of the system (from USD0.05 to USD1.00 per ePhyto)
**ePhyto FG comment:** Does not meet accessibility or efficiency principles. Not considered further.
2. Monthly fee: charged to contracting parties using the ePhyto Solution based on a number of factors such as country development status, gross national income, population, volume of use and the overall capacity to pay
**ePhyto FG comment:** Very administratively complex with a high transaction cost. Does not meet the efficiency principle. Was discussed but not included as a final option.
3. Annual fee: charged to contracting parties using the ePhyto Solution based on a number of factors such as country development status, gross national income, population, volume of use and the overall capacity to pay
**ePhyto FG comment:** Very administratively complex with a high transaction cost. Does not meet the efficiency principle. Was discussed but not included as a final option.
4. Multiyear voluntary contribution agreements from national governments, donor organisations and industry organisations (not individual firms).
**ePhtyo FG comment:** Very administratively complex. Would require significant effort to ensure donations keep coming ie may not be sustainable. Does not meet the beneficiary and efficiency principles and concern that could reduce the independence of the ePhyto Solution. Variations of this option were discussed but not included as a final option.
5. FAO to cover all operation costs as a component of business as usual operations for the organisation.
**ePhtyo FG comment:** This would meet a lot of the principles but would require significant effort by the Bureau and contracting parties to obtain agreement. This has been included as an option.
6. Access fee charges for blockchain companies and/or private industry to access the ePhyto channel services:
**ePhtyo FG comment:** This did not seem to be a viable option and was not discussed by the FG.
7. Establishment of a government / private sector consortium (including other international organisations interested in and/or participating in the Hub for exchanging their certificates) which manages and develops a unique funding mechanism
**ePhyto FG comment:** This did not seem to be a viable option and was not discussed by the FG.
1. [31\_CPM\_2021\_ePhytofunding-2021-01-29.pdf (ippc.int)](https://assets.ippc.int/static/media/files/publication/en/2021/01/31_CPM_2021_ePhytofunding-2021-01-29.pdf) [↑](#footnote-ref-1)
2. <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups> [↑](#footnote-ref-2)
3. <https://www.ephytoexchange.org/landing/> [↑](#endnote-ref-1)
4. Xxxxxxxxxx [↑](#endnote-ref-2)
5. <https://www.tradefacilitation.org/who-we-are/who-we-are/> [↑](#footnote-ref-3)
6. <https://www.tradefacilitation.org/article/international-organisations-formalise-trade-facilitation-partnership/> [↑](#footnote-ref-4)
7. <https://www.tradefacilitation.org/projects-modernising-agricultural-trade/> [↑](#footnote-ref-5)
8. 20 days at FAO Consultancy Rate of $600 per day, plus two return flights estimated at an average of $2,000 each, plus 20 days DSA estimated at $ 200 per day. Total $20,000 [↑](#footnote-ref-6)