



COMMISSION ON PHYTOSANITARY MEASURES
SEVENTEENTH SESSION
IPPC SECRETARIAT FINANCIAL REPORT 2022
AGENDA ITEM 16.1

(Prepared by the IPPC Secretariat)

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 2022. It includes financial statements for resources available in 2022 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 2022, total resources available to the IPPC Secretariat amounted to USD 8,608,788, comprised of USD 3,508,733 from FAO RP and USD 5,100,055 from IPPC EB (contributions and carry-overs), as shown in Table 1. Total expenditures from both RP and EB sources in 2022 totaled USD 5,864,741, comprised of USD 3,309,136 from FAO RP and USD 2,555,605 from IPPC EB funds, as shown in Table 1.
- [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 2022 in USD

Year	Available Resources (USD)			Expenditures (USD)		
	FAO RP Budget	IPPC EB Trust Funds (Contributions, Available project funds and Carry-Overs)	Total	FAO RP Budget	IPPC EB Trust Funds	Total
2020	3,430,378	5,053,547	8,483,925	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
2022	3,508,733	5,100,055	8,608,788	3,309,136	2,555,605	5,864,741

- [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 2022 to 2023 is USD 3,358,597 compared to 2021 to 2022 carry-over of USD 3,440,625). In 2022, five Contracting parties made contributions to the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) (See Table 3).
- [6] In 2022, IPPC Secretariat received approximately USD 1.2 million in In-kind (non-financial). Value of In-kind contributions is the best estimate of the costs incurred for the contributing donors (Table 6).
- [7] The 2022 Budget of the IPPC Secretariat for both RP and EB resources was executed in accordance with the "IPPC Secretariat Work Plan and Budget for 2022" presented at CPM-16 (2022).

[8] The CPM is invited to:

- (1) *note* the Financial Report for 2022 of the IPPC Secretariat;
- (2) *adopt* the Financial Report for 2022 of the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) (Table 3);
- (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 2022.

2. FAO Regular Programme

[9] In 2022, FAO RP resources allocated for the IPPC Secretariat amounted to USD 3,508,733 (Fig 1), as per The Director-General’s Medium Term Plan (Reviewed) 2022-25 and Programme of Work and Budget 2024-25 (and set for the IPPC Secretariat for the 2022-2023 biennium at the level of USD 6.9 million).

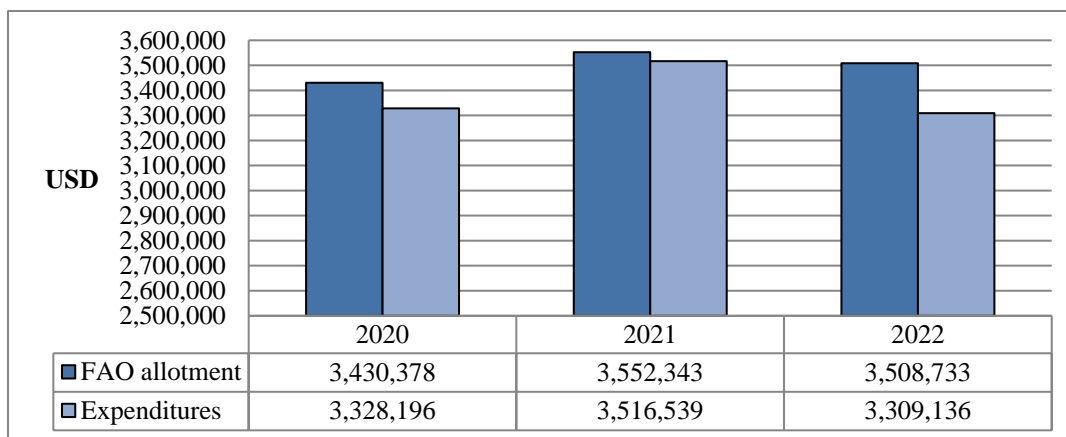


Figure 1. The FAO Regular Programme contribution vs. expenditures for 2020-2022 period (range between USD 2.5 to 3.6 million has been augmented for better graphical representation)

[10] In 2022, total FAO RP expenditures of the IPPC Secretariat amounted to USD 3,309,136.

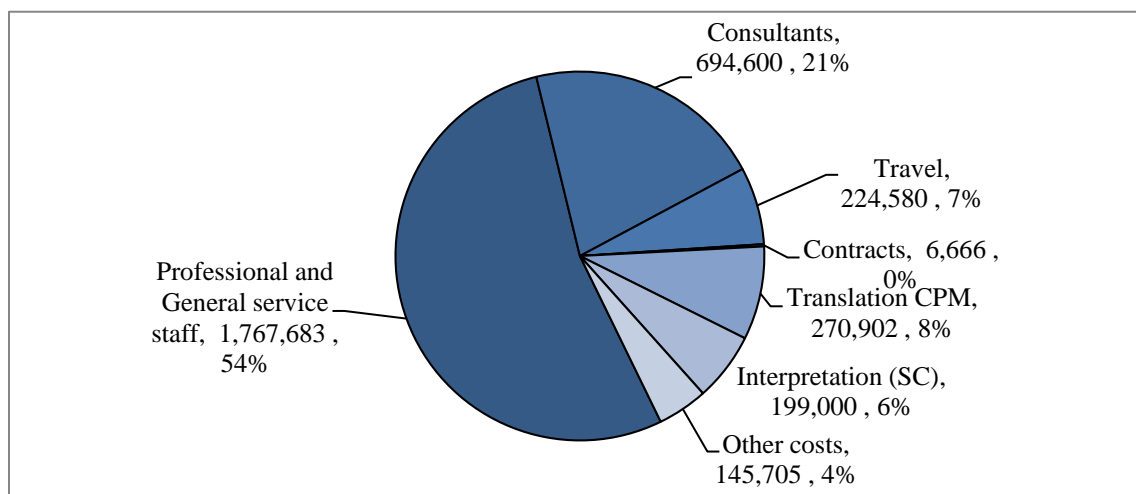


Figure 2. The FAO Regular Programme expenditures by expense type for 2022 (USD)

[11] Out of the total FAO RP expenditures in 2022 (USD 3,309,136), USD 2,462,283 related to personnel costs (professional and general service staff and consultants), USD 224,580 was spent on travel, USD 476,568 was used for contracts, translation and interpretation costs and USD 145,705 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 2022

Cost type	2020	2021	2022
Professional and General Service staff	1,951,156	1,710,907	1,767,683
Consultants	717,355	897,588	694,600
Travel	31,870	741	224,580
Contracts	344,299	413,673	6,666
Translation CPM	92,990	258,444	270,902
Interpretation (CPM and SC)	39,845	124,155	199,000
Other costs	150,681	111,031	145,705
Total	3,328,196	3,516,539	3,309,136

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

[12] As shown in Fig. 3., the IPPC Multi-Donor Trust Fund (MDTF) contributions in 2022 amounted to USD 712,159, which represents 11% increase compared to 2021. In 2022, five Contracting parties made contributions to the IPPC Multi-Donor Trust Fund.

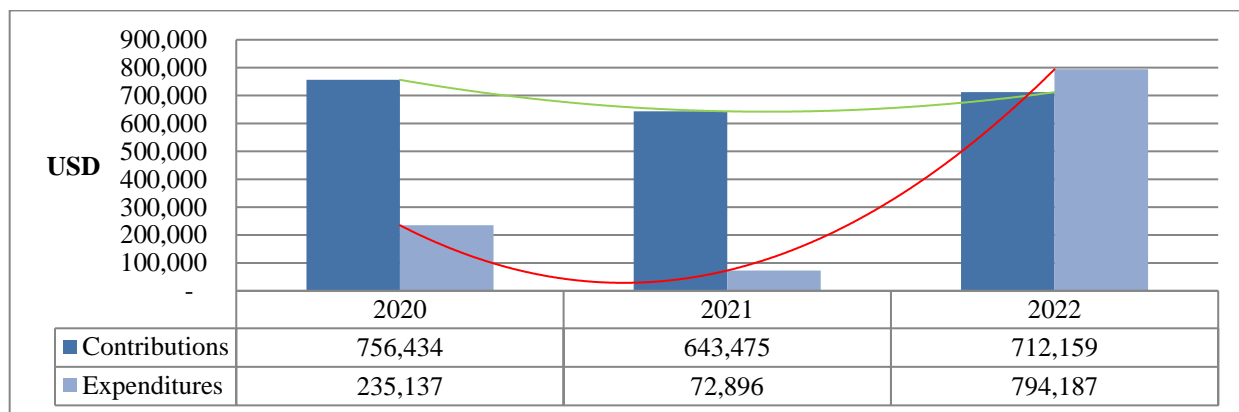


Figure 3. The IPPC Multi-Donor Trust Fund contributions vs. expenditures for 2020-2022

[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 3. The IPPC Multi-Donor Trust Fund Contributions vs. Expenditures (in USD) for 2022

Contributions	2004-2019	2020	2021	2022
Australia		-	155,340	-
Canada		180,525	181,388	149,724
Ireland		170,937	-	140,765
Finland		-	-	32,258
Republic of Korea		222,962	207,033	160,000
USA/NAPPO		175,000	100,000	200,000
Other		7,010	-286	29,412
Total	8,254,017	756,434	643,475	712,159
Expenditures by Cost type	2004-2019	2020	2021	2022
Professional and General service staff		99,335	17,661	-
Consultants		94,500	6,352	180,150
Travel		2,831	786	93,855
Contracts		-37,885	983	278,301
GOE (translation, interpretation, other)		18,205	16,751	181,556
Other (FAO Support costs, other)		58,151	4,344	60,327
Total	5,905,268	235,137	72,896	794,187
Balance	2,348,749	2,870,046	3,440,625	3,358,597

NB: For ease of reference, prior years (2004-2019) are grouped.

Table 4. Structure of the IPPC Multi-Donor Trust Fund carry-over balance from 2022 to 2023

Contracting party/Organization	Activity	Balance as of 31 Dec 2022
Canada	CPS	73,683
	eCommerce	91,789
	e-Phyto	72,270
	Sea Containers	80,000
	SSU (EWG Pest Risk Management)	63,091
	SSU (EWG Risk Assessment Guidance)	47,319
	France	CPS
	TPG	71,023
Ireland	e-Phyto	56,000
Korea	IFU	29,931
	Asian countries	19,934
	IC	180,000
	Governance	100,000
	e-Phyto	106,408
NAPPO/USA	Sea Containers	30,000

	e-Phyto	150,000
Balances of 2020 un-earmarked funds appropriated by the CPM Bureau decision from May 2021		
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	60,000
Communication Specialist	IST	20,000
ePhyto support for UNICC	ePhyto	60,000
Un-earmarked funds		1,616,126
Total (USD)		3,358,597

[14] For higher transparency and accountability purposes, Table 4. shows the structure of the carry-over balance from 2022 to 2023.

4. The IPPC Projects

[15] Based on the Financial Committee (FC) recommendations, Table 5. shows a detailed breakdown of the IPPC Projects (active in 2022) and their budgets, expenditures and balances (at 31 December 2022) operated by the IPPC Secretariat between 2017-2022. 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 2022, the IPPC Secretariat administered 7 IPPC Projects and 1 APO programme. 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 5. The IPPC Projects implemented by the IPPC Secretariat for 2022

[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 2022	Start date	End date	Budget	2022 budget	2022 Expenditures	Balance at 31 Dec 2022
European Union projects								
EU Support to IPPC (GCP/GLO/025/EC)	EU	Active	01/01/2020	31/12/2023	1,055,556	387,671	253,364	283,046
IRSS Project (GCP/GLO/877/EC)	EU	Active	01/02/2018	31/05/2022	734,715	184,191	198,523	95,679
Support to Strategic Framework (GCP/GLO/040/EC)	EU	Active	01/07/2020	30/06/2023	1,029,989	304,687	580,168	128,220
First International Plant Health Conference (GCP/GLO/424/EC)	EU	Active	01/07/2022	31/12/2022	301,377	301,377	220,816	80,561
Other projects								
IPPC ePhyto and Phytosanitary Capacity Evaluation (GCP/GLO/1034/GER-F)	Germany	Active	01/01/2022	31/12/2022	224,203	224,203	159,295	64,908
China SSC Project (GCP/INT/291/CPR)	China	Active	24/02/2017	31/12/2023	2,007,541	424,706	194,319	709,611
PCE Nepal (GCP/GLO/478/WBK-F)	World Bank	Active	22/01/2021	30/06/2022	42,960	12,121	8,132	37,002
Secondment and APO programmes								
MAFF Secondment (GCPT/GLO/102/JPN)	Japan	Active	01/10/2020	30/09/2025	1,006,180	200,191	146,801	257,527
Total (USD)					6,402,521	2,039,147	1,761,418	1,656,554

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

Table 6. The IPPC In-kind (non-financial) contributions provided to the IPPC Secretariat in 2022

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
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	Staff time to support Standard Setting Unit (SSU) work on governance, expert working groups, technical panel on diagnostic protocols (TPDP), technical panel on commodity standards and CPM Focus Group on Food and Other Humanitarian Aid and some development agenda items of the IPPC Strategic Framework. Also, to support the Implementation and Facilitation Unit (IST) on the coordinating 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	5,000
Canada	Trade Facilitation and Standard Setting	Staff time for e-Commerce Coordinator (100%) for 12 months and associated travel for the officer and meeting support hosting the EWG on use of systems approaches in managing the pest risks associated with the movement of wood (2015-004), Annex to ISPM39 (international movement of wood)	200,000
China	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	25,000
COLEACP	Implementation Facilitation	Staff time to edit the training material for the e-Learning courses on Pest Risk Analysis and Inspection	5,000
		Staff time to develop the IT version of the e-Learning courses	5,000
		Interpretation into French of the virtual Workshop Series: Fusarium TR4 Diagnostic, Surveillance, Inspection and Simulation Exercises	6,000
Peru	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America (Meeting room for first day of the workshop)	1,000
COSAVE	IPPC Network	Meeting support for the virtual IPPC Regional Workshop for Latin America (travel expenses of the OIRSA Members Countries representatives)	12,000
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 and meeting support hosting the TPG meeting (28 November – 2 December)	5,000
EPPO	IPPC Network and Standard Setting	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 and NENA RPPO	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 July to December for Implementation Facilitation and ePhyto	100,000
	Implementation Facilitation	Interpretation in French of the IPPC Webinar Introduction to IPPC implementation: your questions answered, May 2022	3,000
Italy	Standard setting	Meeting support and host of the EWG	5,000
NAPPO	Implementation Facilitation	Interpretation into Spanish of the third session of the virtual Workshop Series: Fusarium TR4 Diagnostic, Surveillance, Inspection and Simulation Exercises	1,000
Japan	IPPC Network	Staff time for Integration and Support (IST) team	125,000
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
Tunisia	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 (travel expenses of the OIRSA Members Countries representatives)	18,000
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	60,000
Latin American and Caribbean Economic System (SELA)	Implementation Facilitation	Interpretation into Spanish of the virtual Workshop Series: Fusarium TR4 Diagnostic, Surveillance, Inspection and Simulation Exercises	3,000
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
Total (USD)			1,239,000

[17] In 2022, IPPC Secretariat received approximately USD 1.2 million in In-kind contributions. Value of In-kind contributions is the best estimate of the costs incurred for the contributing donors.

6. Conclusion and Perspectives

[18] The financial position of IPPC Secretariat is stable in FAO RP funding, as FAO Council in December 2019 approved 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.

[19] The IPPC Secretariat is grateful to all the contracting parties and relevant organizations that supported its programme of work, financially or in-kind in 2022. The IPPC Secretariat also invites contracting parties and relevant organizations to pledge their 2023 contributions during the CPM-17 meeting and support the IPPC mission.