



COMMISSION ON PHYTOSANITARY MEASURES

EIGHTEENTH SESSION

IPPC SECRETARIAT FINANCIAL REPORT 2023

AGENDA ITEM 19.1

(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 2023. It includes financial statements for resources available in 2023 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 2023, total resources available to the IPPC Secretariat amounted to USD 9,167,084, comprised of USD 3,640,176 from FAO RP and USD 5,526,908 from IPPC EB (contributions and carry-overs), as shown in Table 1. Total expenditures from both RP and EB sources in 2023 totaled USD 5,665,794, comprised of USD 3,662,055 from FAO RP and USD 2,003,739 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 2023 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
2021	3,552,343	5,119,053	8,671,396	3,516,539	857,921	4,374,460
2022	3,508,733	5,470,643	8,979,376	3,309,136	2,555,605	5,864,741
2023	3,640,176	5,526,908	9,167,084	3,662,055	2,003,739	5,665,794

- [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 2023 to 2024 is USD 3,634,579 compared to 2022 to 2023 carry-over of USD 3,207,888). In 2023, four Contracting parties made contributions to the IPPC Multi-Donor Trust Fund (Special Trust Fund of the IPPC) (See Table 3).

- [6] In 2023, IPPC Secretariat received approximately USD 1.3 million in In-kind (non-financial) contributions. Value of In-kind contributions is the best estimate of the costs incurred for the contributing donors (Table 6).
- [7] The 2023 Budget of the IPPC Secretariat for both RP and EB resources was executed in accordance with the “IPPC Secretariat Work Plan and Budget for 2023” presented at CPM-17 (2023).

2. FAO Regular Programme

[8] In 2023, FAO RP resources allocated for the IPPC Secretariat amounted to USD 3,640,176 (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).

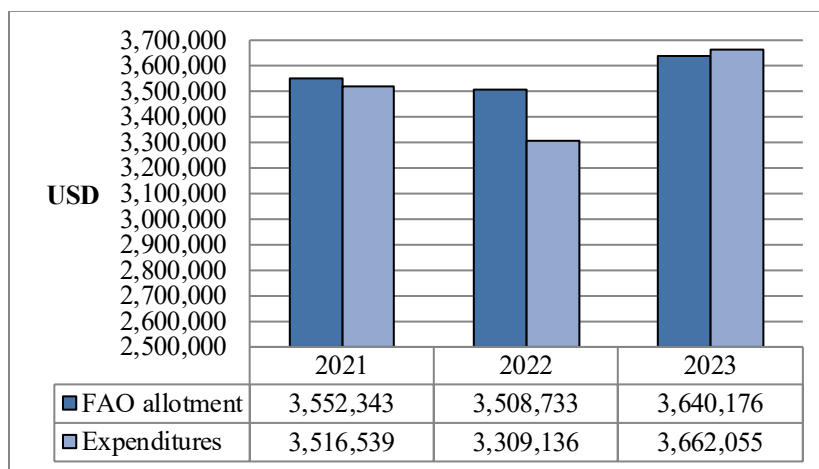


Figure 1. The FAO Regular Programme contribution vs. expenditures for 2021-2023 period (range between USD 2.5 to 3.7 million has been augmented for better graphical representation)

[9] In 2023, total FAO RP expenditures of the IPPC Secretariat amounted to USD 3,662,055.

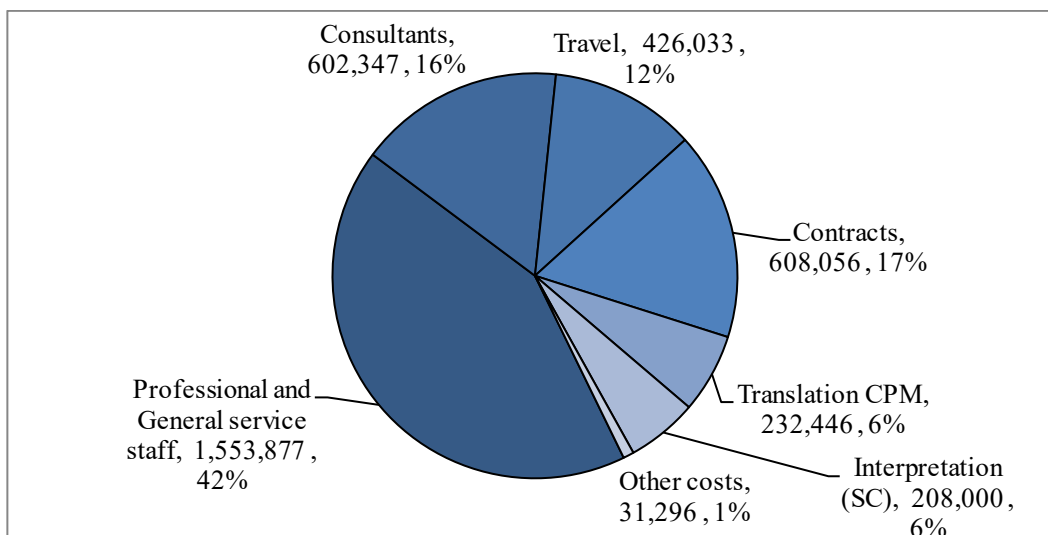


Figure 2. The FAO Regular Programme expenditures by expense type for 2023 (USD)

[10] Out of the total FAO RP expenditures in 2023 (USD 3,662,055), USD 2,156,224 related to personnel costs (professional and general service staff and consultants), USD 426,033 was spent on travel, USD 1,048,502 was used for contracts, translation and interpretation costs and USD 31,296 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 2023

Cost type	2021	2022	2023
Professional and General Service staff	1,710,907	1,767,683	1,553,877
Consultants	897,588	694,600	602,347
Travel	741	224,580	426,033
Contracts	413,673	6,666	608,056
Translation CPM	258,444	270,902	232,446
Interpretation (CPM and SC)	124,155	199,000	208,000
Other costs	111,031	145,705	31,296
Total	3,516,539	3,309,136	3,662,055

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

[11] As shown in Fig. 3., the IPPC Multi-Donor Trust Fund (MDTF) contributions in 2023 amounted to USD 821,255, which represents 15% increase compared to 2022. In 2023, four Contracting parties made contributions to the IPPC Multi-Donor Trust Fund.

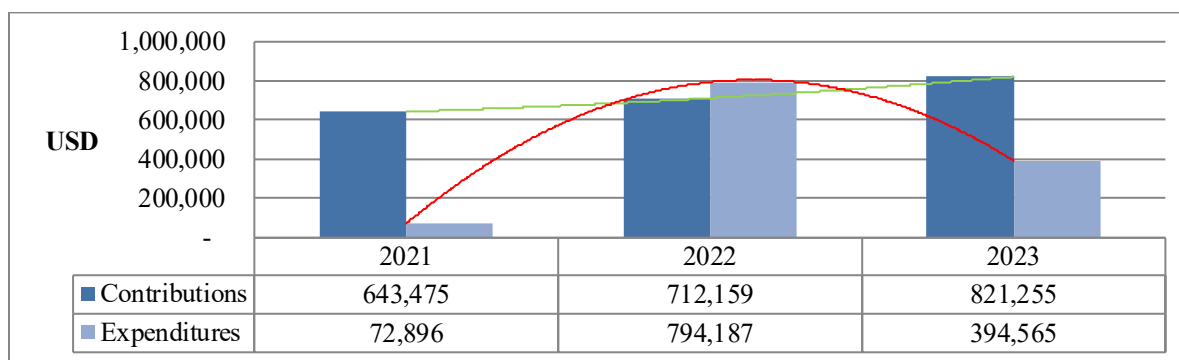


Figure 3. The IPPC Multi-Donor Trust Fund contributions vs. expenditures for 2021-2023

[12] 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 2023

Contributions	2004-2020	2021	2022	2023
Australia		155,340	-	-
Canada		181,388	149,724	255,064
Ireland		-	140,765	-
Finland		-	32,258	-
Republic of Korea		207,033	160,000	98,148
USA/NAPPO		100,000	200,000	200,000
United Kingdom		-	-	119,092
Other		-286	29,412	148,951
Total	9,010,451	643,475	712,159	821,255

Expenditures by Cost type	2004-2020	2021	2022	2023
Professional and General service staff		17,661	-	74,439
Consultants		6,352	180,150	76,165
Travel		786	93,855	151,070
Contracts		983	278,301	-19,407
GOE (translation, interpretation, other)		16,751	181,556	69,600
Other (FAO Support costs, other)		4,344	60,327	42,697
Total	6,291,114	72,896	794,187	394,565

Balance	2,719,337	3,289,916	3,207,888	3,634,579
----------------	------------------	------------------	------------------	------------------

NB: For ease of reference, prior years (2004-2020) are grouped. For accounting purposes, prior years' total in expenditures now accounts for additional USD 150,709 which were recorded on a higher level account before.

Table 4. Structure of the IPPC Multi-Donor Trust Fund carry-over balance from 2023 to 2024

Contracting party/Organization	Activity	Balance as of 31 Dec 2023
Canada	CPS	73,683
	eCommerce	91,789
	e-Phyto	166,270
	CPM FG on CCPI	48,762
	ISPM 45 (Guide on audit)	48,762
	SSU (EWG Risk Assessment Guidance)	47,319
Ireland	e-Phyto	56,000
Korea	IFU	94,485
	Asian countries	19,934
	IC	155,000
	Governance	90,000
	e-Phyto	106,408

NAPPO/USA	Sea Containers	80,000
	e-Phyto	300,000
United Kingdom	CPM FG on CCPI	29,773
	ePhyto	89,319
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	95,000
IPP improvement	IST	150,000
Scientific Copy-Editor	IST	60,000
ePhyto support for UNICC	IFU	60,000
Un-earmarked funds		1,722,074
Total (USD)		3,634,579

[13] For higher transparency and accountability purposes, Table 4. shows the structure of the carry-over balance from 2023 to 2024.

4. The IPPC Projects

[14] Based on the Financial Committee (FC) recommendations, Table 5. shows a detailed breakdown of the IPPC Projects (active in 2023) and their budgets, expenditures and balances (at 31 December 2023) operated by the IPPC Secretariat between 2017-2023. 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 2023, the IPPC Secretariat administered 5 IPPC Projects and 1 FAO Staff secondment project. 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 2023

[15] 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 2023	Start date	End date	Budget	2023 budget	2023 Expenditures	Balance at 31 Dec 2023
European Union projects								
EU Support to IPPC (GCP/GLO/025/EC)	EU	Active	01/01/2020	31/12/2023	1,055,556	589,069	389,473	199,596
Support to Strategic Framework (GCP/GLO/040/EC)	EU	Closed	01/07/2020	30/06/2023	1,029,989	152,344	367,247	-
Other projects								
IPPC ePhyto and Phytosanitary Capacity Evaluation (GCP /GLO/1034/GER-F)	Germany	Closed	01/01/2022	30/06/2023*	224,203	-	23,413	41,496
China SSC Project (GCP /INT/291/CPR)	China	Active	24/02/2017	31/12/2023	2,007,541	403,372	606,377	18,316
Africa Phytosanitary Programme (APP) (GCP /GLO/1175/USA-F)	USA	Active	01/08/2023	31/07/2024	250,000	125,899	-	250,000
Secondment and APO programmes								
MAFF Secondment (GCPT/GLO/102/JPN)	Japan	Closed	01/10/2020	30/09/2023	576,180	227,081	222,664	4,417
Total (USD)					5,143,469	1,497,765	1,609,174	513,825

* The project GCP/GLO/1034/GER-F ended on 31/12/2022 but a request for extension until 30/06/2023 has been submitted to GIZ.

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

Table 6. The IPPC In-kind (non-financial) contributions provided to the IPPC Secretariat in 2023

Contracting parties and organizations	Activities (work areas)	Types of contribution (staff time, meeting support)	Estimated USD value
Antigua and Barbuda	IPPC Network	Meeting support for the IPPC Regional Workshop for the Caribbean	5,000
Australia	Trade Facilitation	Full time officer to support Sea Containers work Meeting support and host of the international workshop on Sea Containers in Brisbane	150,000 35,000
AU-IAPSC	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa and implementation of Africa Phytosanitary Programme (APP)	5,000
Brazil	Standard Setting	Meeting support and host of the TPG meeting	20,000
Cook Islands	IPPC Network	Meeting support for the IPPC Regional Workshop for the Pacific and staff time of one officer (25%) for ePhyto activities	20,000
CAHFSA	IPPC Network	Meeting support for the IPPC Regional Workshop for the Caribbean	5,000
CAN	IPPC Network	Meeting support for the IPPC Regional Workshop for Latin America	5,000
Canada	Implementation Facilitation, 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
COLEAD	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 revise the IT version of the e-Learning courses	5,000
		Translation of IPPC guides into French: Emergency Preparedness: A guide for developing contingency plans for outbreaks of quarantine pests; Pest Status guide; Regulation of wood packaging material guide.	6,000
		Interpretation of the IPPC webinar into French, "New IPPC guides and e-learning courses – key implementation and capacity development resources for the phytosanitary community", 19 October 2023.	6,000
Costa Rica	IPPC Network	Meeting support for the IPPC Regional Workshop for Latin America	5,000

Contracting parties and organizations	Activities (work areas)	Types of contribution (staff time, meeting support)	Estimated USD value
COSAVE	IPPC Network	Meeting support for the IPPC Regional Workshop for Latin America (travel expenses of the COSAVE Members Countries representatives)	15,000
Egypt	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	20,000
Chile	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	5,000
EPPO	IPPC Network and Standard Setting	Meeting support for the IPPC Regional Workshop for Europe and Central Asia	5,000
		Meeting support and host of the IPPC Technical Panel on Diagnostic Protocols (TPDP)	5,000
European Commission	Trade facilitation	Staff time of one officer (25%) for ePhyto activities	35,000
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 and supporting implementation of Africa Phytosanitary Programme (APP)	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 and supporting implementation of Africa Phytosanitary Programme (APP)	5,000
FAO Sub-Regional Office for the Caribbean	IPPC Network	Meeting support for the IPPC Regional Workshop for Caribbean	5,000
Ethiopia	IPPC Network	Meeting support for the IPPC Regional Workshop for Africa	5,000
Fiji	Trade Facilitation	Meeting support and host of the CPM Focus group on Food aid	10,000
France	Implementation Facilitation	Staff time of one officer for Implementation and Facilitation and ePhyto (100%) for 12 months	150,000
Japan	Standard Setting	Meeting support and host of the TPCS and EWG meetings	20,000
IICA	IPPC Network	Meeting support for the IPPC Regional Workshop for Latin America	5,000

Contracting parties and organizations	Activities (work areas)	Types of contribution (staff time, meeting support)	Estimated USD value
NAPPO	Implementation Facilitation	Translation of IPPC guides into Spanish: E-commerce: A guide to managing the pest risk posed by goods ordered online and distributed through postal and courier pathways; Regulation of wood packaging material guide.	10,000
		Interpretation of the IPPC webinar into Spanish, "New IPPC guides and e-learning courses – key implementation and capacity development resources for the phytosanitary community"	6,000
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
Montenegro	IPPC Network	Meeting support for the IPPC Regional Workshop for Europe and Central Asia	5,000
New Zealand	Standard Setting	Meeting support and host of the EWG	10,000
Saudi Arabia	IPPC Network	Meeting support for the IPPC Regional Workshop for the Near East	5,000
OIRSA	IPPC Network	Meeting support for the IPPC Regional Workshop for Latin America (travel expenses of the OIRSA Members Countries representatives)	15,000
PPPO	IPPC Network	Meeting support for the IPPC Regional Workshop for the Southwest 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	10,000
United States of America	IPPC Network	Staff time of one officer (70%) for one year supporting governance, communication, IYPH legacies and network activities	150,000
	IPPC Network	Staff time of one officer (30%) for one year supporting implementation of Africa Phytosanitary Programme (APP);	50,000
		Meeting support for the APP workshop in Cairo, Egypt	50,000
	Trade Facilitation	Staff time of one officer (50%) for ePhyto activities	100,000

Contracting parties and organizations	Activities (work areas)	Types of contribution (staff time, meeting support)	Estimated USD value
Total (USD)			1,303,000

[16] In 2023, IPPC Secretariat received approximately USD 1.3 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

[17] 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.

[18] The IPPC Secretariat is grateful to all the contracting parties and relevant organizations that supported its programme of work, financially or in-kind in 2023. The IPPC Secretariat also invites contracting parties and relevant organizations to pledge their 2024 contributions during the CPM-18 meeting and support the IPPC mission.

Recommendations to the CPM

[19] The CPM is invited to:

- (1) *note* the Financial Report for 2023 of the IPPC Secretariat;
- (2) *adopt* the Financial Report for 2023 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 2023.