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联合国
粮食及
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Food
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Organization
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des
Nations
Unies
pour
l'alimentation
et
l'agriculture

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

INTERIM COMMISSION ON PHYTOSANITARY MEASURES

Sixth Session

Rome, 29 March – 2 April 2004

Budget Plan

Agenda Item 8.4 of the Provisional Agenda

1. The budget for FAO's work on the IPPC and the costs for the Secretariat functions are provided by the Regular Programme of the Organization (RP). FAO's regular budget is approved by the FAO Conference, which consists of all FAO Members. The Conference meets biennially. The budget is biennial - the budget cycles are 2002-2003, 2004-2005, etc. Accounts of FAO, including trust fund accounts, are audited by an internal and an external auditor; the latter is appointed by the FAO Conference. The accounts of the Organization are considered by the Finance Committee, the FAO Council and are approved by the Conference.
2. As indicated in ICPM 04 INF-10, the RP budget for the IPPC contains several components; this paper concerns only the core Headquarters budget for the IPPC Secretariat.
3. The FAO Programme of Work and Budget for 2004-2005 was considered by FAO's Programme and Finance Committees in May and September 2003 and by the FAO Council (a subsidiary body of the Conference, which consists of selected Members) at its One Hundred and Twenty-fourth session in June 2003. The Programme Committee, the Finance Committee and the Council all strongly supported an increase in funding for the IPPC. In December 2003, the Conference approved a net budget for the 2004-05 biennium that was US\$ 51.2 million lower, in real terms, than the Programme of Work and Budget proposed.

Business Plan

4. A business plan was prepared by the ICPM Bureau and adopted by the ICPM at its Fifth Session in 2003. It served to provide an understanding of the level of funding available and the outputs that can be realized with such funding, and the additional resources that would be required to meet a work programme as adopted by the ICPM at its Fourth Session. It provides for the adoption of 4-5 International Standards for Phytosanitary Measures (ISPMs) per year, the establishment and maintenance of an information exchange programme (International

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Phyosanitary Portal) for the exchange of information identified in the IPPC, and supports technical assistance initiatives including regional technical working groups on standards, assistance to participate in the Phyosanitary Portal and methods and training tools and support to technical cooperation projects.

5. The business plan recommended an increase in resources to the IPPC Secretariat of approximately US\$ 2,000,000 for the biennium 2004-2005 bringing the total budget to approximately US\$ 4,000,000 for the biennium. This did not include cost increases due to inflation and exchange rate fluctuations; after taking these into account the biennial financial requirements of the business plan would be in the range of US\$ 4,800,000.

Coverage of the budget by the Organization:

2004-2005: Resources

6. The FAO Secretariat initially proposed an increase in resources of US\$ 500,000 through an internal shift of resources within the Plant Protection Service, the Plant Production and Protection Division, and in the Department of Agriculture. This was the budget reported to the Fifth Session of the ICPM. After discussions during the FAO Programme Committee in May 2003, a further US\$ 500,000 was added to the proposed budget, bringing the increase in the range of US\$ 1,000,000 over the biennium (at 2002-2003 rates).

7. In December 2003, the FAO Conference adopted a Programme of Work and Budget (PWB) for 2004-05 that did not fully meet cost increases due to inflation and currency fluctuations. As a consequence, it requested the Director-General to make proposals to adjust the approved Programme of Work, bearing in mind the expression of priorities by Council and Conference as well as the criteria for priority setting originally established by the Council at its 110th Session and as reviewed by the Programme Committee at its 89th Session, to the next meetings of the Programme and Finance Committees and to their Joint Meeting in May 2004 for their approval. In the preparation of the adjusted PWB the IPPC is given a high priority and is protected from the full budget reduction. Thus, after the increase and increases due to inflation and currency fluctuations, the core Headquarters budget was tentatively reduced by 4.8%; this provides RP resources available to the Secretariat at approximately US\$ 3,400,000 for the two-year period¹.

8. Arrears funding (funding from earlier programme cycles due to late payment of assessed contributions) is available to the Secretariat for the biennium 2004-2005. This funding was made available to work on (a) standard(s) for Living Modified Organisms (LMOs) that are pests and to increase standard setting in general. It is foreseen that US\$ 1,477,000 will be available to the Secretariat in the biennium.

9. The arrear funds will largely meet the difference between the RP budget and the Business Plan. These funds are additional to the normal programme and should not result in commitments beyond 2005 (such as staff positions that extend beyond 2005).

10. A tentative resource analysis is provided in table 1; it is anticipated that resources for 2005 will be the same. A budget for 2004 is provided in table 2. The resource analysis and the budget do not include projections of funds that may be earned by the Secretariat through the provision of Services to Technical Cooperation Projects.

Outputs in 2004:

11. Strategic Direction No. 1: The development, adoption and monitoring of the implementation of International Standards for Phytosanitary Measures (ISPMs):

1. One meeting of the ICPM;

¹ This figure excludes additional expected income of US\$ 60,000 over the period.

2. Two meetings of the Standard Committee (20); and one meeting of the Group of Seven;
 3. Up to 14 meetings of working groups to draft new International standards on Phytosanitary Measures (ISPMs);
 4. Up to four meetings of technical panels;
 5. Up to three new ISPMs adopted by the ICPM;
 6. Up to twenty ISPMs in various stages of development, including six to eight draft ISPMs in country consultation.
 7. Publication of ISPMs.
12. Strategic direction No. 2: Information exchange:
1. Improvement of stability, response time, security, accessibility, navigation and search function;
 2. Data entry interface re-designed to simplify data entry in accordance with the IPPC and guidelines provided by various ISPMs;
 3. Development of tools to draw information from existing websites through the closely integrated International Portal for Food Safety Animal and Plant Health;
 4. One meeting of the IPP Support Group (SG);
 5. Initiation of an information exchange capacity building programme at regional level to ensure countries are aware of the information exchange obligations under the IPPC, while introducing them to the IPP as the preferred information system that allow them to meet these obligations.
13. Strategic Direction No. 3: The provision of dispute settlement mechanisms:
- Conclude the Terms of Reference of the Dispute Settlement Committee
14. Strategic Direction No. 4: The development of the phytosanitary capacity of Members by promoting the provision of technical assistance:
1. Further development of the Phytosanitary Capacity Evaluation tool and other tools and guidance material.
 2. Dependent on resources, regional technical meetings to evaluate draft standards.
15. Strategic direction No. 5: The maintenance of an effective and efficient administrative Framework:
1. Guidance by the Informal Working Group on Strategic Planning and Technical Assistance (SPTA);
 2. A revised business plan.
16. Strategic Direction No. 6: Promotion of IPPC and cooperation with relevant international Organizations:
1. Liaison with other relevant International Organizations; Convention Secretariats and Regional Organizations;
 2. One meeting among RPPOs.
17. Technical support to Technical Cooperation Projects.

Staffing:

18. Two additional staff positions were created in the Secretariat, a standards officer and a position which would chiefly work on the information system. One of the positions is filled through an internal transfer. To be able to move quickly, arrears funding was used to create and fill a standards officer's post until end 2005. The staffing will be further reviewed after the appointment of the Senior Officer/Coordinator and in the light of decisions made at the Programme Committee's meeting in May 2004.

Extra-budgetary resources in 2004:

19. The following extra-budgetary resources will be available in 2004:

1. The European Community (Trade Directorate) made 100,000 Euro available for participation of developing countries in standard setting for the year 2004;
2. A project to support the development and application of Phytosanitary Capacity Evaluation, paid from FAO's Prevention of Food Losses trust fund, will continue till July;
3. The Government of Japan provides for a Junior Professional Officer.

20. At the fifth session of the Interim Commission on Phytosanitary Measures in April 2003, countries agreed to the establishment of a voluntary multilateral trust fund, which will provide in particular for participation of developing countries in the standard setting process. New Zealand provided in October 2003 50,000 NZ\$ for the Trust fund; In February 2004, the Canadian International Development Agency made a commitment for 600,000 Canadian\$ for a three-year period. A separate paper is provided on the Trust fund (INC 04/05)

Table 1: Resource analysis for 2004 and 2005 in 1000's of US\$.

	Resources			Adjusted business plan	
	2004	2005		2004	2005
RP 2004-2005	1699	1699			
Arrears estimate	788	788			
Total	2487	2487		2432	2432

Table 2: Budget estimates for 2004.

	Consultants	Contracts	Travel	Equipment	GOE	Charge-back	Totals	Staff cost	Non-staff/ direction	Totals/ direction
Direction 1										
ICPM	5000	3000	40000	0	3000	310000	361000	310037	897500	1207537
Standards committee	5000	0	92500	0	2000	0	99500			
Standards publications	0	25000	0	0	0	0	25000			
Working groups	10000	165000	165000	0	2000	70000	412000			
Direction 2										
Info exchange	70000	60000	30000	6000	15000	25000	206000	220270	277500	497770
Increased access	1500	50000	20000	0	0	0	71500			
Direction 3	0	0	0	0	0	0	0	5633	0	5633
Direction 4	0	0	0	0	0	0	0			
PCE	55000	0	15000	0	0	25000	95000	97809	191500	289309
Regional meetings	30000	0	55000	0	1500	0	86500			
Promote TA	0	0	10000	0	0	0	10000			
Direction 5	0	0	0	11500	28500	0	40000	122934	40000	162934
Direction 6	0	0	0	0	0	0	0			
International liaison	0	0	30000	0	0	0	30000	80263	72500	152763

Outreach	0	12500	0	0	0	12500	25000			
RPPOs	0	0	12500	0	5000	0	17500			
Support RPPOs	0	0	15000	0	0	0	15000	10977	15000	25977
Field support	0	0	0	0	0	0	0	144599	0	144599
Totals	176500	315500	485000	17500	57000	442500	1494000	992521	1494000	2486521

Notes: Contracts include publications

Travel includes a component for regional standard evaluation

Consultants includes a component for translation of the standards

Chargeback includes translation of ICPM documents and interpretation

