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Organización
de las
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para la
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y la
Alimentación

INTERIM COMMISSION ON PHYTOSANITARY MEASURES

Seventh Session

Rome, 4-8 April 2005

Financial Guidelines for the Trust Fund of the International Plant Protection Convention

Agenda Item 8.5 of the Provisional Agenda

1. The Special Trust Fund and its financial guidelines were approved at ICPM-5. At the 6th session of the ICPM, the Secretariat stated that the Special Trust Fund was subject to FAO's policy for charges for administrative and operational support, and noted that the guidelines should be reviewed accordingly. The ICPM agreed that the updated financial guidelines for the Special Trust Fund be considered by the SPTA and the Bureau and then submitted to the next session of the ICPM. The financial rules were updated by the Secretariat and further amended by the SPTA. The SPTA recommended that these financial guidelines be submitted to the ICPM, after final clearance by the relevant FAO Departments. Subsequently, comments were received from FAO's legal, financial and budget and evaluation offices. Clarifications of some parts of the Financial Guidelines as a result of these comments have been included in the final text (Annex 1).

2. The ICPM is invited to:
Consider and, if appropriate, *adopt* the Financial Guidelines for the Trust Fund of the International Plant Protection Convention.

FINANCIAL GUIDELINES FOR THE TRUST FUND OF THE INTERNATIONAL PLANT PROTECTION CONVENTION

1. Scope

The objective of the fund is to provide resources to benefit developing countries:

- through their attendance at the standard setting meetings;
- through participating in training programmes and internet access for information exchange;
- through regional workshops on draft standards and implementing standards;
- through development of guidance for countries to use in the evaluation of institutional and regulatory aspects of national phytosanitary systems;
- by encouraging individual Members to utilize Phytosanitary Capacity Evaluation and formulate national phytosanitary plans;
- through any other project agreed by the Interim Commission on Phytosanitary Measures (hereinafter referred to as the Commission).

2. Applicability

2.1 The Trust Fund shall be established under the provisions of Financial Regulation 6.7 of FAO.

2.2 These Guidelines shall govern the financial administration of the Trust Fund of the International Plant Protection Convention in conformity with FAO's Financial Regulations and Rules.

2.3 These Guidelines shall apply to the activities of the Trust Fund for matters not covered by the FAO Financial Rules and Procedures concerning trust funds. In the case of a conflict or inconsistency between FAO's Financial Regulations, Rules and procedures and these guidelines, the former shall prevail.

3. The Financial Period

The financial period shall be one calendar year.

4. The Budget

4.1 The budget estimates shall be prepared by the Secretary of the Commission for submission to the last session of the Commission held in the year before the financial period covered by the budget.

4.2 Before the submission to the Commission, the budget estimates shall be reviewed by the Informal Working Group on Strategic Planning and Technical Assistance (SPTA) for consideration by the Bureau of the Commission, which will make its recommendation on the budget to the Commission.

4.3 The budget shall be circulated to all Members of the Commission not less than 60 days before the opening session of the Commission at which the budget is to be adopted.

4.4 The Commission shall adopt the budget of the Trust Fund by consensus of its Members provided, however, that if, after every effort has been made, a consensus cannot be reached in the

course of that session, the matter will be put to a vote and the budget shall be adopted by a two-thirds majority of its Members.

4.5 The budget estimates shall cover income and expenditures for the financial period to which they relate, and shall be presented in United States dollars. The budget shall comprise of estimates of income and expenditures and shall take into account the forecast uncommitted balance of the Trust Fund for the financial year immediately preceding the year covered by the budget:

- a) Income shall consist of voluntary contributions from Members, non-Members and other contributors as well as interest earnings on funds on hand as credited in accordance with FAO's Financial Regulations and Rules; and
- b) Expenditures shall consist of such expenses as are incurred in the implementation of the Programme of Work, including the administrative and operational support costs incurred by FAO and charged strictly in accordance with the policy on support cost reimbursement approved and as amended from time to time by the FAO Finance Committee and Council.

4.6 The budget estimates shall reflect the Programme of Work provided for by the Trust Fund for the financial year elaborated on the basis of appropriate information and data, and shall include the Programme of Work and such other information, annexes or explanatory statements as may be requested by the Commission. The form of the budget shall include:

- a) estimates of income and expenditure, the latter being supported by a Programme of Work which proposes projects that directly address the objective of the Trust Fund as described under the Scope in Article 1 above;
- b) such additional information as may be sought by the Commission which may, at its discretion, amend the format of the Programme of Work and the Budget for future calendar years.

4.7 During implementation of the Programme of Work, the Secretary shall authorize such expenditures as are necessary to execute the approved Programme of Work to the extent that resources are available recognizing that:

- a) transfers between approved Directions may be effected by the Secretary for amounts not exceeding 20% of the approved budget of the projects from which the resources are being transferred;
- b) the annual reports of the Secretary shall include complete information on all transfers that have taken place during the financial year being reported.

4.8 The budget of the Trust Fund shall be adopted by the Commission. 4.9 The Commission shall set priorities among outputs to take account of possible shortfall in funding.

5. Provision of Funds

5.1 Funds may be provided on a voluntary basis by a variety of sources, including Members, non-members, and other sources.

5.2 Special assignment of individual contributions for specific outputs may only be accepted for outputs that are approved by the Commission.

5.3 The Secretary, in consultation with the Bureau, is authorized to finance budgeted expenditure for the purposes outlined in the scope from the uncommitted balance/available cash of the Trust Fund, whichever is the lower.

5.4 The Secretary shall acknowledge promptly the receipt of all pledges and contributions and shall inform members annually of the status of pledges and contributions.

6. Trust Fund

6.1 All contributions received shall be promptly credited to the Trust Fund.

6.2 The uncommitted balance of the Trust Fund shall be carried forward at the end of each financial period and shall be available for use under the approved budget for the following financial period.

6.3 With respect to the Trust Fund the Organization shall maintain an account to which shall be credited receipts of all contributions paid and from which shall be met all expenditure chargeable against the sums allocated to the annual Trust Fund budget.

7. Annual reports

The Secretary will provide financial reports on the Trust Fund to the Commission on an annual basis. These reports should include links to objectives, activities and outputs as they relate to the Strategic Directions determined by the Commission.

8. Amendment

These Guidelines may be amended by the Commission.