



REPORT

Rome, Italy
23 June 2014

Meeting of the IPPC Financial Committee June, 2014



Food and Agriculture Organization of the United Nations

CONTENTS

1. Opening of the meeting	3
2. Adoption of the Agenda	3
3. Housekeeping	3
4. Report of last meeting	3
5. FC 2014 Work programme.....	3
5.1 Current financial position of IPPC	3
5.1a IPPC General Financial outlook as of 31 May 2014.....	3
5.2 Resource mobilization	5
5.2.b Opportunities arising (Efforts and Results).....	5
6. New and emerging issues	6
6.1 Potential resource mobilization activity	6
6.2 Others	7
6.2a ISPM15 symbol registration process.....	7
7. FC 2014 Work Programme	8
8. Discussions on agenda items for next meeting	8
9. Other business.....	8
11. Next meeting	8
APPENDIX 1 – Agenda	9
APPENDIX 2 – Documents list	10
APPENDIX 3 – Participants list	11
APPENDIX 4 – Action points.....	13

1. Opening of the meeting

- [1] The Financial Committee (FC) Chair, Mr John Greifer, and Secretary to IPPC, Mr. Yukio Yokoi, welcomed the meeting participants. All the FC members participated in the meeting.
- [2] The Secretary noted that this was the first meeting of the second cycle of the FC and commented the efforts and progress of the Committee. He expressed his expectation to continue good progress regarding document production and correspondence between the FC members, the Chair and the Secretariat.

2. Adoption of the Agenda

- [3] The agenda was adopted ([Appendix 1](#)) and the Chair mentioned that at his request, the Secretariat attached the action points from the March meeting, which he considered to be a key part of the meeting.

3. Housekeeping

- [4] The Documents list ([Appendix 2](#)) and Participants list ([Appendix 3](#)) were reviewed and noted.

4. Report of last meeting

- [5] The FC reviewed the report of the last meeting in March and agreed that it was acceptable and complete.

5. FC 2014 Work programme

5.1 Current financial position of IPPC

5.1a IPPC General Financial outlook as of 31 May 2014

- [6] It was discussed that the FC meeting in March should focus on the preparation for CPM, and that the June meeting would take a general look at the IPPC's financial position while the October 2014 meeting would focus on monitoring and comparing the progress of the FC.
- [7] It was noted that overall, the Regular Programme and trust funds are on track and stable, and the Secretariat aims to keep the trust funds replenished in the current biennium. These efforts have resulted in the highest trust fund budget in several years.
- [8] The presented document shows the general financial position of the IPPC as of 31 May 2014 and provides closer look at the regular programme budget by cost type (fixed, semi-fixed, variable), regular programme expenditure by IPPC team, regular programme expenditure by category (salaries, travel, other), and the IPPC trust fund balance and expenditure. It was noted that the 38th FAO Conference in June 2013 approved the 2014-15 biennium allotment to IPPC, 5.9 million (2.95 million per year).

- [9] As of May 2014, IPPC spent or committed 72% of the total budget, or USD 2,133,517 out of USD 2,950,000. For the same period, in 2013 IPPC spent 89% of the total budget, while spending only 63% in 2012. As it was previously reported to FC, in 2012 IPPC was underspending its budget, while in 2013 it was overspending. In both cases, the budget was zeroed-out at the end of the year. Based on that experience, in 2014 IPPC has reduced spending compared to 2013, while it increased spending compared to 2012 in order to find an optimal spending balance. Therefore, financial position in regular programme is fairly stable and on track in the observed period.
- [10] This is the first time that the FC was presented IPPC regular programme expenses by IPPC Secretariat team (General management, Standard Setting, Capacity Development, National Reporting Obligations, IT staff, and IRSS part that is funded by regular programme).
- [11] Since it was established in 2004, IPPC Multi-donor Trust fund received USD 3,407,114 in contributions, what represents its total budget. As of 31 May 2014, IPPC Multi-donor trust fund had balance of USD 920,878. This is an increase in balance compared to 2013, 2012 and 2011, when the balance was USD 666,584, USD 872,213 and USD 294,135, respectively. The balance is sufficient to support new positions that have recently been opened in the IPPC Secretariat.
- [12] The Secretariat concluded that the financial situation regarding regular programme budgetary resources is stable even though it could be affected by the review of the FAO for each biennium. The trust fund budget on the other hand is more inconsistent and could benefit from more stability. The FC is devoted to finding a balance between these two programmes.

The FC:

1. *reviewed and noted* the success of the general outlook report. The general financial position of IPPC is clear, while the presented document is very helpful in demonstrating the positive progress of the IPPC.
2. *suggested* that the “General management” column in Figure 3 be divided into the actual activities, since it is known that the major cost in this block goes to CPM (translations, interpreters, etc.) and travel to other yearly conferences; it might be helpful to divide this section into separate specific sections. In the future, it would also be helpful that the Secretariat specifies the expenses being used for the pending Secretariat evaluation.
3. *suggests* that the Secretariat prepare a document that compares past four years of translation and interpretation costs
4. *suggests* that the Secretariat provide a simplified version of the general outlook to be published on the IPP, specifying and prioritizing activities and operations that would benefit from excess funding to improve transparency
5. *suggests* that a graph be added to provide more transparency in expenditures of the Multi-Donor trust fund

5.2 Resource mobilization

5.2.b Opportunities arising (Efforts and Results)

- [13] The Secretariat noted that there are efforts to increase resources in this biennium. IPPC is still not where it could be, optimally, but it is progressing. Commission representatives from the IPPC and CBD will meet in August to discuss resource mobilization issues and the potential of recognizing the IPPC as one of the Biodiversity-related International Conventions.
- [14] It was noted that there are efforts to improve communication outreach, namely those emphasized by the Communication Needs Assessment, which include seeking resources and funding to hire a full-time position. The ePhyto program has been promised funding from the Dutch government, for setting up the feasibility hub and maintenance in launching the ePhyto system.
- [15] The Secretariat noted that they continue to regret their inability to provide permanent positions to IPPC. With several members of the IPPC leaving, replacements, not permanent positions, staff continue to rotate without a fixed solution.

The FC:

1. *noted* the ongoing efforts and results within resource mobilization
2. *suggests* reaching out for possible funding from CPM Observer Organizations, food health and food safety organizations as well as other environmental organizations

5.2.c Trust fund contributions

- [16] Referencing to table 1 of the IPPC General financial outlook document, it was noted that this is the first report that reflects all eleven trust funds to the IPPC. In 2014, until 31 May, IPPC has received several voluntary contributions. Contributions to the IPPC multi-donor trust fund were: Republic of Korea USD 100,000; Canada USD 337,250; Japan USD 28,500, EPPO USD 2,751. Additional expected contributions for 2014 are: Australia USD 140,804; USA USD 80,000; Sweden USD 37,000.

5.3 Monitoring and planning for the IPPC finance

5.3.d Revised guidelines for the IPPC Trust fund

- [17] The FC presented a paper on the revision of the guidelines for the IPPC Multi-donor Trust Fund, which allows for more flexibility and broader scope of the fund. It was noted that discussions with the EU in the future may seek to broaden the scope of their funding. The revised guidelines will go to the CPM-10 for adoption.
- [18] The revised guidelines reflect that the IPPC now has a trust fund for attendance and participation funded by European Union. It was proposed by the FC to keep the scope of the guidelines as broad as possible. This will prevent any limitations that the IPPC could run into regarding funding. In addition, the FC thought that the scope of the Trust fund

should as much as possible reflect the broad activities of the IPPC: harmonization, implementation and communication. Consequently, it was proposed to change the Scope of the Financial Guidelines to:

The objective of the fund is to provide resources to benefit in particular developing countries with the aim of:

- furthering the harmonization of phytosanitary measures,*
- assisting in implementation of the IPPC and ISPMs*
- improving communications and reporting,*
- any other activities agreed to by the CPM*

With the proposal to simplify the scope of the Trust Fund the FC felt that article 4.7 of the financial rules would need adjustment. It was proposed that 4.7 (a & b) be eliminated from the list, thus reading:

During the implementation of the Programme of Work, the Secretary shall authorize such expenditures as necessary to execute the approved Programme of Work to the extent that resources are available and shall inform the financial committee:

The FC:

1. *reviewed and discussed* the proposed amended financial guidelines of the Multi-donor Trust fund, making some specific changes to broaden the Scope.

6. New and emerging issues

6.1 Potential resource mobilization activity

[19] Introducing the subject, the Secretariat recalled that CPM-9 had shown strong appreciation about the work being done in providing implementation assistance and capacity development. It was thought by the FC that the continuation of these activities is essential and that more resources to support those programs should be mobilized by the IPPC contracting parties and the Secretariat. The FC stressed that there is a need that IPPC work is showcased, making valid cases for funding, and leaving behind a strong sustainable program.

[20] IPPC Secretariat needs a strong communications plan and messaging to reach donors that can impact the short-term resource mobilization, which will then deliver products toward that goal. It will simultaneously produce usable technical materials and products, other to raise awareness materials, and highlight the state of plant protection in the world.

[21] The FC discussed the recommendation of CPM to have an “international day of plant health” or an “international year of plant health”. It strongly supported this initiative, but considered that substantial resources would be needed to realize this matter. The FC thought that it may be better to try to organize a one-time event the “international year of plant health” since for an annually reoccurring day of plant health the resource needs maybe too extensive. In order to ensure a smooth and efficient preparation of the event year the FC stressed the need for a task force or steering committee be established to start the preparation that will result in the International Year of Plant Health and an associated donor conference. The FC thought that a concrete step-by-step action plan should be

developed and that a “champion” would be needed in the IPPC Secretariat to keep the project alive and “on track”. The FC suggested that the IPPC Secretary Mr Yokoi would take over the responsibility of leading the matter as a “champion”. Mr Yokoi agreed. Once the concept gets approval from the Bureau, TORs for this group can be written and moved forward.

[22] The FC advised the Secretariat to reach out and request the work plan used for the previous “international years” (i.e. year of potato, quinoa) to bring a broader understanding to what would be involved for the International year of Plant Health.

The FC:

1. *supported* the paper on potential resource mobilization activities and the implementation of its proposed activities
2. *expressed* enthusiasm for and *supported* the project of establishing an “international year of plant health”.
3. *offered* to the CPM Bureau that it could assist in the implementation of these projects
4. *welcomed* the decision of the IPPC Secretary to volunteer as a “champion” for the organization of the “international year of plant health”
5. *suggested* that when the paper is presented to the Bureau, the process is thoroughly explained and discussed and that FAO Legal Office be invited to explain the FAO regulations and stipulations.

6.2 Others

6.2a ISPM15 symbol registration process

[23] The Secretary provided an update to the ISPM 15 registration. As suggested by the CPM-9, primary focus and resources are being placed on efforts for new country registration and registration renewal. There is a few required registration renewals by 2018, therefore the Secretariat will focus on new registrations. Of the 89 countries that still need to register for ISPM 15, the Secretariat has chosen 19 based on a list of criteria (i.e. expression of interest for reimbursement, trade volume, etc.). The Secretariat monitors the progress of these countries’ registration for ISPM 15 and is trying to add more countries to register simultaneously in the future. This action will be presented to the Bureau for their feedback.

[24] Renewal cost reimbursement has been received from 10 countries and more than 10 additional countries have expressed their interest in reimbursing the Secretariat for their registration. IPPC Secretariat will continue to suggest this to the other countries with the ISPM 15 registration.

[25] The letter from the Office of the Director General to the countries should be ready for distribution shortly. It was completed by the Secretariat and now it is in FAO’s Conference, Council and Government Relations group for processing.

The FC:

1. *noted* that the high-level letter from the Office of the DG is an unexpectedly

hard and lengthy process

7. FC 2014 Work Programme

[26] The Secretariat presented the Draft Implementation Plan of Resource Mobilization Strategy, noting that this is the process that the FC has followed thus far, incorporating recommendations for further development and development of work plans to follow up on the recommendations.

The FC:

1. *noted* that it would be wise to choose major concepts that would have the most impact, and build the work programme around those. The Implementation of the ePhyto Hub, Intl. Day of Plant Health, and a program on sponsorship should be three of the key topics that should be followed and guided
2. *suggested* the addition of establishing the International Day of Plant Health into the section of *G Technical Improvements, Donor Relations and Incentive Programs*

8. Discussions on agenda items for next meeting

[27] The FC discussed the potential action points noting that October meeting will serve as a general check of the IPPC financial position.

9. Other business

9.1. Reviewing the ToRs and RoPs of the FC

[28] The Secretariat proposed a more informal working arrangement document, which builds upon the original TORs and RoPs. Discussions focused on the rules regarding the presence of observers to the FC and decision-making process. The FC noted that the committee is much more of an advisory committee than a decision-making body.

[29] Some members of the FC discussed their appreciation for the flexibility in the working arrangements, noting that the less formal they are, the more flexibility the FC will have in activities and operations.

[30] One FC member stressed the importance of proper staff planning of the IPPC Secretariat, especially in its key work areas. The importance of proper staff succession within the Secretariat was also noted. The retirement of almost all senior officers in the IPPC Secretariat within the next 5-6 years will pose a threat to the proper functioning of the IPPC Secretariat. An effective succession planning in the IPPC Secretariat would be absolutely crucial.

The FC:

1. *agreed* that the working arrangements for the FC are far more flexible and should be presented to the Bureau for their approval

11. Next meeting

[31] It was noted that the next meeting would take place in October 2014.

APPENDIX 1 – Agenda**Commission on Phytosanitary Measures****Financial Committee Meeting***23 June 2014**FAO, Rome, Italy***AGENDA**

Agenda item	Document No	Presenter
1. Opening of the meeting		Yokoi
2. Adoption of the Agenda	01_IPPC-FC_2014_June	Fedchock
3. Housekeeping		
<ul style="list-style-type: none"> • Documents list • Participants list • Local information 	02_IPPC-FC_2014_June 03_IPPC-FC_2014_June IPP link to local information	Fedchock
4. Report of last meeting		
IPPC FC Report (March 2014) available on IPP Work area:	March 2014 Report	Fedchock
5. FC 2014 Work Programme		
1) Current financial position of IPPC		
a. General financial outlook	04_IPPC-FC_2014_June	Fedchock/Benovic
2) Resource mobilization		
b. Opportunities arising (efforts and results)	05_IPPC-FC_2014_June	Fedchock
c. Trust fund Contributions	04_IPPC-FC_2014_June	Benovic
3) Monitoring and planning for the IPPC finance		
d. Revised guidelines for the IPPC TF	06_IPPC-FC_2014_June	Fedchock
6. New and emerging issues		
1) Potential Resource Mobilization Activity	07_IPPC-FC_2014_June	Sosa/Fedchock
2) Others		
a. ISPM15 mark registration process		Yokoi
7. FC 2015 Work Programme	08_IPPC-FC_2014_June	Greifer/Yokoi
8. Discussions on agenda items for next meeting		
9. Other business		
1) Reviewing the ToRs and RoPs of the FC	09_IPPC-FC_2014_June	Fedchock
10. Next meeting (scheduling)		

APPENDIX 2 – Documents list**DOCUMENTS LIST***(Updated:18 June 2014)*

DOCUMENT NO.	AGENDA NO.	DOCUMENT TITLE	POSTED
01_IPPC-FC_2014_June	02	Draft Agenda	18.06.2014.
02_IPPC-FC_2014_June	03	Documents List	18.06.2014.
03_IPPC-FC_2014_June	03	Participants list	18.06.2014.
04_IPPC-FC_2014_June	05	General financial outlook	18.06.2014.
05_IPPC-FC_2014_June	05	Opportunities arising (efforts and results)	18.06.2014.
04_IPPC-FC_2014_June	05	Trust fund Contributions	18.06.2014.
06_IPPC-FC_2014_June	06	Revised guidelines for the IPPC TF	18.06.2014.
07_IPPC-FC_2014_June	07	Potential Resource Mobilization Activity	18.06.2014.
08_IPPC-FC_2014_June	08	FC 2015 Work Programme	18.06.2014.
09_IPPC-FC_2014_June	09	Reviewing the ToRs and RoPs of the FC	18.06.2014.

LINKS:	Agenda item	Content
IPP link to local information https://www.ippc.int/work-area-publications/local-information-meeting-participants-rome-italy-0	03	FAO Rome meetings: Local information
March 2014 Report https://www.ippc.int/system/files/documents/20140609/fcmarch2014reportfinal201406091148-1.05-mb.pdf	04	FC 2014 March Report

APPENDIX 3 – Participants list**COMMISSION ON PHYTOSANITARY MEASURES****FINANCIAL COMMITTEE MEETING****PARTICIPANTS LIST***(Updated: 23 June 2014)*

	Role / Region	Name, mailing, address, telephone	Email address	Membership Confirmed	Term expires
✓	Chair/ North America	Mr John GREIFER Assistant Deputy Administrator Plant Protection and Quarantine Animal and Plant Health Inspection Service Department of Agriculture 1400 Independence Ave., South Building Washington DC 20250 USA Phone: (+1) 202 799-7159	john.k.greifer@aphis.usda.gov	1 st term	2016
✓	Member / Asia	Ms Kyu-Ock YIM Export Management Division Dept. of Plant Quarantine Animal and Plant Quarantine Agency Ministry of Agriculture, Food and Rural Affairs 433-1 Anyang-b dong, Manan-gu, Anyang City (430-016) Gyeonggi-do Republic of Korea Tel.: (+82) 31-420-7664 Fax: (+82) 31-420-7605	koyim@korea.kr	2 st term	2016
✓	Member / Africa	Mr Lucien KOUAME KONAN Inspecteur Direction de la Protection des Végétaux, du Contrôle et de la Qualité Ministère de l'Agriculture B.P. V7 Abidjan, COTE D'IVOIRE Phone: (+225) 07 903754 Fax: (+225) 20 212032	L_Kouame@yahoo.fr	2 st term	2016

✓	Member / Europe	Mr Ralf LOPIAN Senior Adviser International Affairs Department of Food and Health Ministry of Agriculture and Forestry Mariankatu 23 A, PO Box 30, Helsinki Finland Tel.: (+358) 9 16052449 Fax: (+358) 9 16052443	Ralf.Lopian@mmm.fi	2 st term	2016
✓	IPPC Secretariat	Mr Yukio YOKOI Secretary to the IPPC	Yukoi.Yokoi@fao.org	N/A	N/A
✓	IPPC Secretariat	Mr Craig FEDCHOCK IPPC Coordinator	Craig.Fedchock@fao.org	N/A	N/A
✓	IPPC Secretariat	Mr Marko BENOVIC Finance and Planning Associate	Marko.Benovic@fao.org	N/A	N/A
✓	IPPC Secretariat	Ms Francesca CROZIER-FITZGERALD Communications and Planning associate / Report writer	Francesca.CrozierFitzgerald@fao.org	N/A	N/A

APPENDIX 4 – Action points

Commission on Phytosanitary Measures

Financial Committee Meeting

23 June 2014

FAO, Rome, Italy

Action Points

ACTION	Action from	Responsible	Deadline	Status
Update Opportunities arising document	March 2014	IPPC Secretariat	Next FC	Accomplished
Attach the contributions table to the CPM9 report	March 2014	IPPC Secretariat	Next FC	Accomplished
Reviewing the TORs and RoPs of the FC	March 2014	IPPC Secretariat, FC	Next FC	Accomplished
Plan to be present at CFS/ WFD events 2014 with no big efforts (side event presentation/poster/publication distribution)	March 2014	IPPC Secretariat	October 2014	In process
Finalize brochure to Donor groups	March 2014	IPPC Secretariat, FC	2014	In process
Plan resource mobilization outreach event - inviting the potential donor countries (e.g. high officials, ambassadors)	March 2014	IPPC Secretariat, FC	2014	In process
Update guidelines for IPPC Trust fund	March 2014	IPPC Secretariat	2014	Accomplished
Develop action plan for the implementation of Resource Mobilization strategy	March 2014	IPPC Secretariat, FC	2014	Accomplished
Develop guidelines for sponsorship of standards	March 2014	IPPC Secretariat, FC	2014	In process
2015 FC Work Programme to be presented and adopted	March 2014	IPPC Secretariat, FC	2014	In process
Update IPPC General Financial outlook document as described	June 2014	IPPC Secretariat	2015	In process
Estimate total annual translation and interpretation cost	June 2014	IPPC Secretariat	Next FC	In process
Simplified version of the general financial outlook to be published on the IPP	June 2014	IPPC Secretariat	2015	In process