



WHO FRAMEWORK CONVENTION
ON TOBACCO CONTROL

**Meeting of the Parties to the Protocol
to Eliminate Illicit Trade
in Tobacco Products**

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Provisional agenda item 7.4

**FCTC/MOP/1/INF.DOC/2
23 September**

**Proposed workplan and budget for the
financial period 2020–2021**

Explanatory note

Purpose of the document

This explanatory note describes the structure of the proposed workplan and the distribution of activities under core funding and extra-budgetary funding, and explains the rationale and assumptions made in calculating the various activities. It also details efforts by the Convention Secretariat to achieve greater efficiency and savings.

Action by the Meeting of the Parties

The Meeting of the Parties to the Protocol to Eliminate Illicit Trade in Tobacco Products is invited to note the additional information contained in this report when considering for adoption the workplan and budget for the financial period 2020–2021.

BACKGROUND

1. This document serves as an explanatory note for the proposed workplan and budget for the financial period 2020–2021 as presented for the consideration of the Meeting of the Parties (MOP) to the Protocol to Eliminate Illicit Trade in Tobacco Products (Protocol).
2. The proposed 2020–2021 workplan and budget is composed of five main Areas of Work:
 - i. Preparing for the implementation of the Protocol to Eliminate Illicit Trade in Tobacco Products, development of protocols, guidelines and other possible instruments for implementation of the WHO Framework Convention on Tobacco Control (WHO FCTC);
 - ii. Meeting of the Parties (MOP);
 - iii. Reporting and exchange of information;
 - iv. Coordination with international and regional intergovernmental organizations (IGOs), nongovernmental organizations (NGOs) and other bodies; and
 - v. Administration and management, and other arrangements and activities.
3. Costs are distributed according to the following rationale:
 - (a) Work covered by assessed contributions (AC):
 - (i) meetings and other costs of the working groups established by MOP;
 - (ii) organization of the first and second sessions of the Meeting of the Parties (MOP1 and MOP2) and expenses incurred by the Bureau of the MOP; and
 - (iii) general administration and management of the Convention Secretariat with relation to the Protocol.
 - (b) Work covered by extra-budgetary funds:
 - (i) work related to promoting the ratification of the Protocol and technical assistance for the implementation of the Protocol;
 - (ii) reporting and exchange of information; and
 - (iii) promoting international cooperation with an emphasis on observers (IGOs and NGOs) to the MOP.

BUDGET

4. The budget will be based on AC, according to the Scale of Assessment adopted by the MOP, and extra-budgetary funds that the Convention Secretariat would be mandated to raise.
5. Annex 1 of document FCTC/MOP/1/21 contains the costs related to activities undertaken in relation to the Protocol. The budget figures corresponding to different lines of the workplan indicate the cost of specific activities and the columns to the source of funding: assessed contributions or extra-budgetary contributions.
6. Annex 2 of document FCTC/MOP/1/21 presents a breakdown of staff costs; Annex 3 presents the total for both activities and staff.
7. The total budget for the 2020–2021 financial period including activity costs, staff costs and programme support costs (PSC) are shown in the following tables.

Table 1. Total proposed budget 2020–2021

	Covered by Assessed Contributions 1.1.1.1.1.1.1.1.1 (in US\$)	Covered by extra-budgetary funds	Total
1. Activity cost	1,878,229	679,700	2,557,929
2. Staff costs	4,211,600	0	4,211,600
3. Total direct costs	6,089,829	679,700	6,769,529
4. Programme support costs (13%)	791,678	88,361	880,039
5. Grand total	6,881,507	768,061	7,649,568

8. The Convention Secretariat wishes to communicate that, as has been the practice, it makes a sustained effort in realizing greater savings through increased efficiency and careful budget management. These efforts include making the most efficient use of existing staff who are fully involved in various functions, outsourcing services to make them more cost-effective, reducing as much as possible the amount of travel, limiting the number of staff participating in meetings abroad, engaging in direct negotiations with suppliers to ensure better prices, making the best use of information technology, and adhering to a green policy, thus saving paper and photocopy costs.

9. Programme support costs (PSC). The Convention Secretariat, as an entity hosted by the World Health Organization (WHO) has to pay PSC for both AC and extra-budgetary contributions. WHO has a new system for calculating the PSC, which is based on number of staff and the total amount the organization spends in a specific expenditure batch related to the services provided. WHO deducts 13% of the funds received for the Convention Secretariat. At the end of the year, the exact amount is calculated and either the excess paid is returned to the Convention Secretariat or if the amount due exceeds what has already been deducted, then the Convention Secretariat is asked to pay the difference, making the PSC rise beyond 13%. For calculation purposes, we are using 13% PSC to the budget.

COSTS RELATED TO ACTIVITIES

10. The total activity cost for 2020–2021 is US\$ 2 557 929 broken down as follows:

Table 2. Activity budget

Period 2020–2021		Activity cost in US\$		
Area of Work		1.1.1.1.1.1.1.2 Assessed Contributions	Extra-Budgetary	Total
1. Preparing for the implementation of the Protocol		395 400	406 300	801 700
2. Meeting of the Parties (MOP) and MOP Bureau		1 250 329	96 700	1 347 029
3. Reporting and exchange of information		90 000	100 500	190 500
4. Coordination with international and regional intergovernmental organizations and other bodies		70 000	76 200	146 200
5. Administration and management, and other arrangements and activities		72 500	0	72 500
Grand Total Activities		1 878 229	679 700	2 557 929

COSTS RELATED TO STAFFING

11. The staff costs presented in the draft budget are based on the WHO standard salary costs or post cost averages for 2018–2019. These costs include net base salary, post adjustment, employee benefits and occupancy costs. The staff has been divided into fixed-term staff and short-term staff, pending extra-budgetary funding.

12. Please note that since the Convention Secretariat of the WHO FCTC will also be the Secretariat of the Protocol, the Head of the Convention Secretariat and the team leaders will be responsible for the implementation of the Protocol, therefore, some of their time will be allocated to the Protocol budget. The Convention Secretariat is planning to hire additional core staff to work specifically on the Protocol that would be paid under assessed contributions.

13. Fixed-term staff post costs are US\$ 4 211 600 for 2020–2021. To ensure continuity and accountability, these positions are covered by assessed contributions in this proposed budget. The Convention Secretariat fixed-term staff that will work on the Protocol in the period 2020–2021 include 20% of an ungraded position corresponding to a portion of the salary of the Head of the Convention Secretariat, three P5 at 30% of their time (Team Leaders), one P4, two P3, five P2 professional staff and one G3 administrative staff, fully covered by assessed contributions.

14. The core professional staff of the Protocol will consist of one P4, two P3 and five P2 staff and will have the following responsibilities: the P4 will act as programme manager overlooking the overall implementation of the activities and workplan and will report directly to the Head of the Convention Secretariat; a P3 technical officer who will be in charge of the Global Information-sharing Focal Point that will be located at the Convention Secretariat (Article 8); and a P3 technical officer who will be in charge of providing technical assistance to the Parties for their implementation of the Protocol. The P2s will be in each of the Convention Secretariat existing teams and will be responsible for the Protocol-related work.

15. Table 2 shows the summary of staff positions that will be dedicated to the protocol covered by assessed contributions and extra-budgetary contributions.

Table 3. Staff distribution and costs

2020–2021									
Level	UG1	P5	P4	P3	P2	P1	G3	Total	Cost US\$
AC	1 (20%)	3(30%)	1	2	5		1	5	4 211 600

WORKPLAN

16. Measures outlined in the workplan are intended to support implementation of various articles of the Protocol and to encourage more Parties to the Convention to become Parties to the Protocol. They reflect guidance provided during the Pre-MOP session.

AREA OF WORK 1: Preparing for the implementation of the Protocol to Eliminate Illicit Trade in Tobacco Products.

17. The key activity proposed is the organization of subregional Protocol workshops, with a maximum of 15 participating Parties to the WHO FCTC. Engaging in the multisectoral cooperation required for successful implementation of the Protocol remains a challenge for many Parties, and the workshops therefore aim to provide concrete guidance on such cooperation in addition to raising understanding of the Protocol and providing guidance in overcoming implementation challenges. It is proposed that three representatives per Party to the WHO FCTC would be invited and funded to attend the workshop, from the health and customs/finance sectors, as well as one additional sector that the Party deems relevant either to the process of ratification or to the future implementation of the Protocol.
18. The Convention Secretariat will also provide assistance to the Parties upon request. Other activities include the promotion of the Protocol at high-level meetings with ministers and to engage with international organizations.
19. This area of work also covers the expenses incurred by any working or expert group established by the MOP. The cost for each working or expert group is calculated on the basis that all meetings of the working or expert groups will be convened in Geneva. The budget includes: travel support (air ticket and per diem) for one delegate from each of the least-developed countries (LDC) Party; travel support (air ticket) for one delegate from each low- and middle-income countries (LMIC) Party; travel support (air ticket and per diem) of consultants and expert advisers; interpretation (three languages on average); documentation; and logistics.
20. Finally, conducting evidence-based research on illicit trade in tobacco products will be covered by this area of work

Total activity costs for Area of Work 1 2020–2021	US\$ 801 700
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AREA OF WORK 2: Meeting of the Parties Conference of the Parties

21. Area of Work 2 includes preparing, convening and supporting MOP1, including the work of the MOP Bureau. Additionally, this area of work includes a review of accreditation for IGOs and NGOs applying to be observers to the MOP. It also includes a MOP1 campaign.
22. The cost estimate for MOP1 is based on estimates as of May 2018, with particular attention to and planning for those areas that may increase in cost in the future. It should be noted that the proposed budget for MOP1 is based on a Geneva-based conference convened for three days. Any additional costs resulting from convening the session outside Geneva would be covered by the host country. The cost of preparing MOP documentation (translation,

editing, printing and dispatch) is based on an estimated maximum of four pages per document.

23. The budget for MOP1 includes: travel support (air tickets and per diems) for one delegate from each of the LDC Parties to the Protocol; travel support (air ticket) for one delegate from each of the LMIC Parties to the Protocol, in line with the current travel policy for Conference of the Parties (COP) adopted by Sixth session of the COP; per diem for one delegate from LMIC Parties if extra-budgetary funds are available; overall logistics including interpretation, security, rental services, salaries of short-term conference staff and overtime; document editing and translation; official records; printing and dispatch (pre-, in- and post-session); communications; a web application; and any unforeseen expenses.
24. For meetings of the Bureau of the MOP, the budget includes: travel and per diem; interpretation (two languages), editing and logistics; and printing.

Total activity costs for Area of Work 2, 2020–2021	US\$ 1 347 029
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AREA OF WORK 3: Reporting and exchange of information

25. Area of Work 3 includes activities related to the Parties' obligation to report progress in the implementation of the Protocol. The Convention Secretariat will provide support to the Parties in the preparation and submission of implementation reports and in strengthening their capacity to report.
26. The Convention Secretariat will receive and analyse each Party's report to identify trends and areas in the Protocol that require special attention.
27. The Convention Secretariat will strengthen the capacity of Parties to report by organizing and/or participating in regional and subregional workshops preferably in conjunction with Protocol implementation workshops. Advice and assistance to individual Parties will also be provided upon request, generally through electronic means of communication.
28. The Convention Secretariat will conduct and disseminate studies and good practices on Protocol-specific topics and will Promote coordination and information sharing with regard to the Protocol through the forum for exchange and other means.

Total activity costs for Area of Work 3, 2020–2021	US\$ 190 500
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AREA OF WORK 4 Coordination with international and regional intergovernmental organizations and other bodies

29. In Area of Work 5, the Convention Secretariat proposes the promotion of international cooperation with emphasis on observers (IGOs & NGOs) to the MOP. The activities conducted will aim at enhancing the cooperation and communication with IGOs and NGOs (especially those that are observers to the MOP) through awareness raising and the dissemination of information about Protocol-related activities of IGO observers to MOP through a designated space on the information platform. IGOs will be invited to participate in relevant Convention Secretariat activities. The Convention Secretariat will participate in at least three major global and regional meetings organized by IGOs to make case for the Protocol and strengthen collaboration with IGOs, and report progress to MOP2.

Total activity costs for Area of Work 4, 2020–2021	US\$ 146 200
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AREA OF WORK 5. Administration and management and other arrangements and activities

30. Area of Work 5 has two parts: 1) activities related to general administration and management including resource mobilization and covers general administration and management, general administration, staff and finance management; and 2) measures to promote the visibility and awareness of the Protocol.
31. The cost estimate for this area of work includes general administration and management costs such as telecommunications and equipment; implementing a communications plan, including the website and social media, as well as preparing supporting communications material and campaigns, contracting services from communications agencies; hiring booths at conferences and other events; travel costs of special guests and speakers for the anniversary celebrations and other events; meetings with Permanent Missions of the Parties in Geneva (interpretation and logistics); and other administrative arrangements.

Total activity costs for Area of Work 5, 2020–2021	US\$ 75 500
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