



This document relates to item 8.5 of the provisional agenda.

Fifth Session of the Conference of the Parties to the  
WHO Framework Convention on Tobacco Control, 12-17 November 2012, Seoul, South Korea

***FCA Policy Briefing:***  
**FCTC budget & workplan for 2014-2015**

**Key recommendations**

- Before agreeing to the FCTC budget at COP5, Parties should ensure that all decisions made by the COP are reflected in the workplan and projected to the budget;
- The 2014-2015 budget should prioritize the work of several strategic subsidiary bodies:
  - A working group on mechanisms of assistance and support for implementation of the FCTC;
  - An expert group to discuss and propose the most appropriate form for an FCTC implementation review mechanism; and
  - An expert group on Article 19 (liability).
- COP5 should ensure that activities related to treaty governance, including travel support for all low-resource Parties, are funded through the Convention's core budget.
- Production of COP Summary records should be maintained;
- COP5 should encourage the Convention Secretariat and the WHO to continue to coordinate their efforts in supporting FCTC implementation.

**Introduction**

By adopting an FCTC budget and workplan at each session of the Conference of the Parties (COP), Parties agree on FCTC priorities for the following two years. At COP5, Parties will review the interim performance report for the 2012-2013 workplan and budget<sup>1</sup>, as well as adopt a new workplan and budget for 2014-2015.

In FCA's view, COP5 should take a balanced approach that recognises the need to advance tobacco control globally, regionally and at the country level. At the same time, COP5 should prioritize funding for workplan activities having a strategic scope, such as a review of resource mobilization for FCTC implementation and an expert study of the most appropriate form for an FCTC implementation review mechanism.

**FCTC budget**

The budget of the Convention, which is agreed for a period of two consecutive years, covers both staff costs and costs of activities. The 2012-2013 budget, the latest budget approved by the COP, reached US\$14,902,000<sup>2</sup>. Of the total amount, 45 percent was projected to cover staff costs for the

<sup>1</sup> COP5 report FCTC/COP/5/20.

<sup>2</sup> COP4 decision on the budget.

Secretariat of the Convention<sup>3</sup>. The remaining \$7,246,000 was allocated for activities such as logistics for various meetings, joint needs assessment missions and costs related to organizing workshops. An additional \$1,714,000 – representing 13 percent of the total allocated to staff and activity costs – is payable to the World Health Organization (WHO) as part of administrative and logistics arrangements.

Sources of funds for the FCTC budget include Voluntary Assessed Contributions (VACs)<sup>4</sup> and extrabudgetary funds raised by the Convention Secretariat. At COP4, Parties agreed to provide US\$9,107,000 through VACs. An overview of expected contributions from each Party was also adopted<sup>5</sup>. At the same time, COP4 requested the Convention Secretariat to raise the remaining funds – \$5,759,000 – through extrabudgetary means. According to report FCTC/COP/5/20, more than \$5 million has been raised already<sup>6</sup>.

For the 2014-2015 biennium, the Convention Secretariat is proposing a budget amounting to \$17,470,000. This sum includes salary and activity costs related to work on the FCTC, as well as the (draft) Protocol on Illicit Trade in Tobacco Products. It also covers 13 percent mandatory programme support costs. FCA urges Parties to carefully review the proposed 2014-2015 budget and workplan. Before agreeing to the FCTC budget at COP5, Parties should ensure that all decisions made by the COP are reflected in the workplan and projected to the budget. It is also important that all Parties agree on priority activities and identify which work should be delivered subject to availability of extrabudgetary funding.

### **FCTC workplan**

Each proposed FCTC budget is accompanied by a draft workplan – an overview of activities that are proposed to be delivered in a given biennium by the Convention Secretariat. The workplan proposal may change significantly in order to reflect all decisions taken during the COP.

Workplan activities are divided into six areas, ranging from development of technical guidelines to maintenance of the reporting instrument or coordination with international organizations<sup>7</sup>. The draft FCTC workplan indicates the required resources for each activity and whether the activity should be funded through VACs or extrabudgetary funding<sup>8</sup>.

At the time of deciding on FCTC activities for 2014-2015, COP5 will need to determine how to effectively use the resources of the Convention. In FCA's view, it is important to support activities to achieve practical progress on FCTC measures already in place, while at the same time advancing work on issues that will enhance the implementation of the Convention in the long term. FCA's recommendations are provided below.

#### **a) Important work to be delivered in coming years**

Development of technical guidelines or practical recommendations on implementation of FCTC measures is one of the core elements of the Convention's intersessional work. The proposed workplan suggests that meetings of three working groups and two expert groups should be supported in 2014-2015.

In FCA's view, available funding to hold meetings of one working group and two expert groups should be allocated to activities that have not been pursued by the COP to date. These would include a

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<sup>3</sup> COP4 explanatory note.

<sup>4</sup> For more information on FCA's position see [FCA Policy Briefing: Voluntary Assessed Contributions \(VACs\)](#).

<sup>5</sup> COP4 budget decisions.

<sup>6</sup> Para 37.

<sup>7</sup> For more information on the format of the FCTC budget see [FCA's fact sheet on the FCTC budget & workplan](#).

<sup>8</sup> COP5 report FCTC/COP/5/23.

working group to review mobilization of resources and support for FCTC implementation and its mechanisms of assistance (MoA)<sup>9</sup>; and an expert group to discuss and propose the most appropriate format of an FCTC implementation review mechanism (IRM)<sup>10</sup>. FCA also recommends the establishment of an expert group to review Article 19 (liability)<sup>11</sup>.

#### **b) Expenses to be covered through core funding**

First, activities related to treaty governance, such as holding COP sessions and meetings of the COP Bureau, should be covered through FCTC's core funding. Similarly, participation of low-resource Parties at these meetings should be fully funded through the Convention's core budget. In this respect, FCA urges COP5 to adopt and fund an FCTC-specific travel support policy to provide full support (most direct, roundtrip, economy class ticket; lodging, and per diem) to meetings of the COP and its subsidiary bodies for one delegate from each low- and lower-middle-income Party, including least developed countries<sup>12</sup>.

Second, the draft budget and workplan raises as a possible 'efficiency measure' the replacement of Summary records with a brief report on COP proceedings<sup>13</sup>. FCA cautions Parties against adopting such a measure. Summary records provide a record of deliberations and discussions at COP sessions that is essential for understanding the working of the COP, and the meaning and significance of the decisions it takes<sup>14</sup>. Many important discussions and COP proceedings will not be captured by a brief report.

Third, past COP sessions mandated the Convention Secretariat to support Parties in implementation of the Convention. However, resources for such activities were not provided through VACs, which led to repeated delays in delivery of the activities. COP5 should consider whether some activities of the Convention Secretariat to support Parties in fulfilling their reporting obligations or to undertake joint needs assessment missions could be provided through the Convention's core funding – VACs.

#### **c) Activities for which funds have to be raised**

Although all proposed activities in the draft 2014-2015 workplan advance progress on the FCTC, COP5 will inevitably have to prioritize some activities over others due to scarce resources. FCA welcomes the proposal to fund all activities related to implementation of the ITP through extrabudgetary funding<sup>15</sup>. Similarly, the work of the working group on Articles 17&18 may either be subject to the availability of extrabudgetary resources or be pursued through alternative methods, such as electronic communication<sup>16</sup>.

If funds are available for work on cross-border advertising, they should go towards the implementation of the recommendations made at COP3 by the Article 13 working group<sup>17</sup>, starting with information-sharing and notification arrangements. These would involve a website through which Parties would report instances of cross-border advertising, as well as the establishment of contact points in each Party for mutual notification, amongst other things. Finally, FCA suggests that

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<sup>9</sup> For more information on the working group see [FCA Policy Briefings: Mechanisms of assistance and financial resources](#).

<sup>10</sup> For more information on FCA's position see [FCA Policy Briefing: FCTC reporting arrangements](#).

<sup>11</sup> For more information on FCA's position see [FCA Policy Briefing: Article 19 – holding the tobacco industry liable for its illegal acts](#).

<sup>12</sup> For more information on FCA's position see [FCA Policy Briefing: Travel Support](#).

<sup>13</sup> COP5 report FCTC/COP/5/23 Annex 2.

<sup>14</sup> For example, COP4 Summary records are cited by COP5 report FCTC/COP/5/22.

<sup>15</sup> For more information on FCA's position see [FCA Policy Briefing: The illicit trade protocol](#).

<sup>16</sup> For more information on FCA's position see [FCA Policy Briefing: Article 17 and 18 draft policy options and recommendations](#).

<sup>17</sup> See Annex 3 to COP3 report FCTC/COP/3/9.

the working group on Articles 9&10 should be suspended after COP5, but not dissolved for the time being<sup>18</sup>.

In this respect, COP5 should discuss strategies to secure extrabudgetary funding. These strategies should be regularly reviewed between COP5 and COP6 and updated as necessary by subsequent sessions of the COP.

### **Coordination between the Convention Secretariat and WHO**

FCA applauds the efforts of the Convention Secretariat and the WHO and its Tobacco Free Initiative to coordinate their work and broaden the role of competent WHO programmes, departments and offices in supporting FCTC implementation. FCA encourages COP5 to request that these efforts – including building support for FCTC implementation into the workplans of all relevant programmes, departments and offices within WHO – are further strengthened, and lead to maximum use of available resources.

### **Conclusion**

The budget and the workplan that will be adopted by the COP5 must show a balanced and efficient use of the funds for the advancement of the implementation of the FCTC. In FCA's view, the 2014-2015 budget should fund the work of several strategic working and expert groups and provide sufficient funding for FCTC-specific travel support for all low-resource Parties.

FCA calls upon Parties to make the necessary extrabudgetary contributions to allow for the remaining important activities included in the workplan to be fully implemented. Fundraising strategies should be clearly established and regularly reviewed by the COP.

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<sup>18</sup> For more information on FCA's position see [FCA Policy Briefing: Adoption of additional guidelines for implementation of Articles 9 and 10](#).