



**Food and Agriculture
Organization of the
United Nations**



The International Treaty
ON PLANT GENETIC RESOURCES
FOR FOOD AND AGRICULTURE

Item 16 of the Provisional Agenda

SIXTH SESSION OF THE GOVERNING BODY

Rome, Italy, 5 – 9 October 2015

Draft Work Programme and Budget for the 2016-17 Biennium

Note by the Secretary

1. This document is presented to the Governing Body in accordance with Resolution 13/2013, paragraph xviii, in which the Governing Body requested the Secretary to prepare and submit the draft Work Programme and Budget for the biennium 2016-2017 to the Governing Body at this Session, including a Secretariat staffing table, and a Draft Resolution for consideration.
2. The document proposes a no growth *Core Work Programme* and *Core Administrative Budget*, compared to the approved budget level in 2014-15.
3. The Governing Body is invited to consider and adopt, subject to those amendments that it may consider appropriate, the Draft Resolution contained in the document, thereby approving and adopting the *Core Work Programme* for the 2016-17 biennium, and the *Core Administrative Budget*.

I. INTRODUCTION

1. The draft Work Programme and Budget for the biennium 2016-17 has been prepared with the same basic approach and methodology that were developed and used for the previous Sessions of the Governing Body. It is based on the experiences gained in recent biennia, updated to incorporate the growth of the Treaty in the current biennium. At the systemic and governance levels, the aim is to:

- Advance and consolidate the enhancement of the Treaty systems on a sustainable financial basis;
- Utilize the limited resources available in the most effective way;
- Maintain the transparency of governance of the Treaty, and ensure the effective capacity of the Governing Body to decide on the work programme of the Treaty and its biennial budget;
- Make possible a clear comparison of the approved work programme of the 2014-15 biennium with the proposed work programme for 2016-17, by maintaining the same basic structure;

2. The key strategic objectives reflected in the Work Programme for the biennium are to:

- **continue the enhancement** or launch of the core Treaty systems and strategies, particularly the enhancement of the Multilateral System of Access and Benefit-sharing and the Funding Strategy, and the operational launch of the Global Information System on plant genetic resources for food and agriculture (PGRFA), in a synergistic manner;
- **address the shortfall in funding** for the elements of the Funding Strategy but also the overall Work Programme to enable the full implementation of the Treaty;
- continue the harmonious joint **implementation of the Treaty and the Nagoya Protocol**, as complementary and essential parts of the International Regime on Access and Benefit-sharing, recognizing that the Treaty maintains its key role in the governance of PGRFA;
- amplify the Treaty's **policy outreach and governance role**.

Constraints and opportunities addressed in the draft Work Programme and Budget

3. In maintaining a no growth budget, this draft *Work Programme and Budget* recognizes that the global economic uncertainty of recent years continues to impose financial constraints on many Contracting Parties.

4. It is obvious that recent changes in the international legal and policy environment regarding genetic resources as well as rapid technological innovation regarding the use of plant genetic resources require a rapid and concerted response by the Treaty, in order to maintain its long-term relevance and governance over plant genetic resources for food and agriculture as well as its concrete operational services for its users and stakeholders. During the biennium, Contracting Parties have already initiated the further evolution of the Treaty, through the work of *Ad Hoc* Open-ended Working Group to Enhance the Functioning of the Multilateral System and the launch of the Global Information System on Plant Genetic Resources for Food and Agriculture. The long term viability of the Treaty necessitates increased investment in these processes to sustain the evolution of the Treaty's core systems and its benefits for users and beneficiaries of the systems.

5. There remains the urgent need to intensify efforts to mobilize income to continue financing further rounds of the project cycle of the Benefit-sharing Fund until innovative approaches generate sufficient user-based income to make the project cycle self-sustaining.

6. Given these severe and conflicting pressures, the current draft Work Programme and Budget has been constructed with rigorous economic restraint to achieve the following goals:

- (1) *Propose a basic no growth budget relative to the 2014-15 biennium budget;*
- (2) *Implement key priority activities that the Governing Body has approved;*
- (3) *Enable the strategic evolution and expansion of the Treaty,*

7. The no growth budget has been attained by restrictive budgeting, and the elimination of any unnecessary costs. There is no real latitude to further cut the budget without undermining the foundations on which the Treaty stands.

8. Through stringent budgeting, the no growth *Core Administrative Budget 2016-2017* has been held to 0.12% below the 2014-15 budget. This is considered the absolute minimum of what is operationally and financially indispensable to maintain the ongoing implementation of the Treaty.

II. METHODOLOGY FOR ESTABLISHING THE DRAFT WORK PROGRAMME AND BUDGET 2016-17

Structure of the Core Work Programme

9. As in previous biennia, the methodology for formulating the Core Work Programme and Budget begins with the establishment and costing of two separate components, which, when merged, constitute the full draft *Core Work Programme* for the forthcoming biennium. In the operation of the Treaty, these two components cannot be functionally split because together they form the coherent *Core Work Programme* to implement the “plans and programmes for the implementation of this Treaty” in accordance with *Article 19.3b*.

- (1) The **Maintenance Functions** of the Treaty. These functions are the activities and resources required in order to maintain the existence of the Treaty as an international instrument, and service the Governing Body and its statutory bodies. They derive directly from Articles 19 and 20 of the Treaty.
- (2) The **Core Implementing Functions** of the Treaty. These make provision for activities required to support and develop the primary functions of the Treaty and its systems as well as meetings of *ad hoc* bodies convened by the Governing Body, within the biennium.

10. The **Core Administrative Budget**, constituted of these two elements, is in *Annex 1*. The overall *Core Administrative Budget* has been **held to 0.12% below the 2014-15 budget**, adjusted for natural cost increases.

11. The real needs of the Treaty include bringing into the *Core Administrative Budget* a number of essential activities which have in the past been funded by individual donors, and making it possible for the Treaty to respond to and draw the maximum benefit from recent developments in the international framework for the governance of genetic resources.

Proposed process for the finalizing the Work Programme and Budget 2016-17

12. There is no leeway within the current no growth budget, from which *Core Implementing Functions* could still be removed while keeping the Treaty in function. All such functions have already been removed by the Secretariat during the preparation stage of this draft *Work Programme and Budget* in pursuit of a no growth budget as requested.

13. The process for finalizing the Work Programme and Budget 2016-17 is based on the established process by which the Governing Body develops and adopts the Treaty’s Work Programme and Budget. The process enables the Governing Body to directly guide and resource the implementation and evolution of the Treaty in a transparent and realistic manner, according to the decision-making matrix in figure 1.

The Decision Making Process for the Work Programme

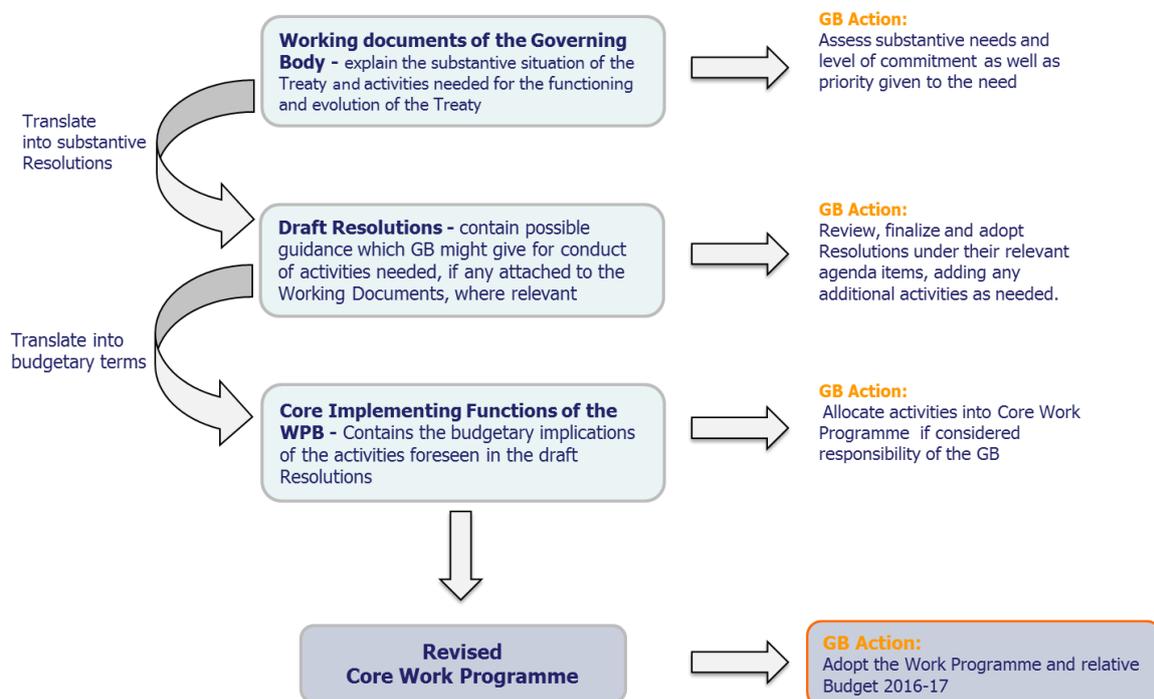


Figure 1: The decision-making process for the Work Programme

- (1) The budget for the *Maintenance Functions (Annex 2)* has been proposed at no growth. Moreover, the overall *Core Administrative Budget* has been held to below no growth and has no margin for reduction.
- (2) Following the decisions of the Governing Body, the *Core Work Programme* will be referred to the Budget Committee, which is invited to go through the Work Programme agreed in Plenary, and consolidate the budget, on this basis.
- (3) The Plenary will then be invited to review, finalize and adopt the *Core Work Programme* and *Core Administrative Budget*, as costed by the Budget Committee.
- (4) The Plenary will also be invited to endorse the lists of projects recommended for direct support through the Trust Fund for Agreed Purposes and contained in IT/GB-6/15/25/Add.1.

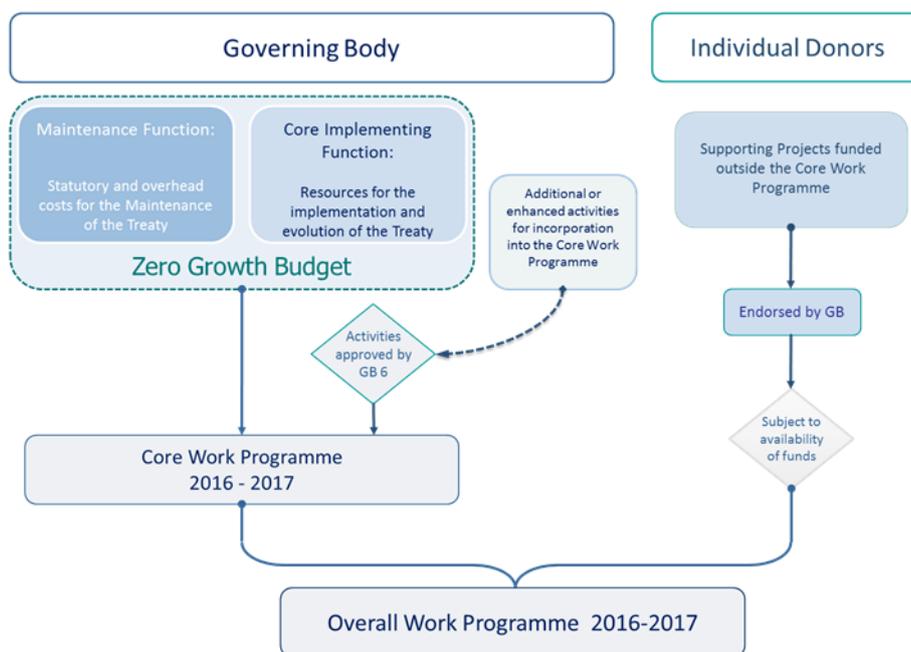


Figure 2: Consolidation of the Core Work Programme and the Core Administrative Budget

III. MAINTENANCE FUNCTIONS OF THE TREATY TO BE FUNDED BY THE CORE ADMINISTRATIVE BUDGET IN THE 2016-17 BIENNIUM

General considerations

14. Annex 2 of this document presents the Maintenance Functions and the general assumptions used in costing the *Maintenance Functions* are in *Annex 5*.
15. The proposed *Maintenance Functions* have been maintained at their 2014-15 levels. .

Human resources – existing structure

16. The human resources make possible the implementation of the basic functions of the Secretariat.¹ Currently, the following professional and general service posts have been established, and form the approved Staffing Table of the Secretariat, endorsed by Resolution 13/2013.

- a. *Professional:*

¹ Article 19 of the Treaty, and *Appendix J* of the Report of the First Session of the Governing Body, state that, in implementing the decisions of the Governing Body and its subsidiary bodies, the Secretariat performs many functions: preparing and servicing meetings; liaising with Contracting Parties and the FAO Director-General; cooperating with other organizations and treaty bodies; coordinating work related to the International Treaty with FAO units and other organizations; providing technical support to the International Agricultural Research Centres of the of the Consultative Group on International Agricultural Research in their participation in the Multilateral System; and managing the human and financial resources of the Secretariat of the Governing Body.

D1 (Secretary)
 P5 (Multilateral System)
 P4 (Programme and Management)
 P4 (Information management for the Multilateral System)
 P4 (Knowledge management and Benefit-sharing Fund Operations)
 P4 (Donor Liaison)
 P3 (Outreach and Communication)
 P3 (Multilateral System and Benefit-sharing)

b. General Service:

G5 (Administrative clerk)
 G4 (Secretary)
 G4 (Clerk typist)
 G3 (Clerk)

Realignment of human resources within the no growth budget

17. Resolution 13/2013 recognizes that “*the precise staffing arrangements are a matter of the normal executive authority of the Secretary*” Accordingly, while maintaining human resources costs at no growth, slight adjustments to the staffing table are proposed for the upcoming biennium, to align the function of the Secretariat to the changing policy and strategic environment of the Treaty.

18. There are no changes to the staffing list of the Secretariat, except that one post for operations support has been added in order to address the enhanced systems support capacity required to cope with the successful growth and further enhancement of the Treaty’s core systems.

19. The revised Secretariat staffing structure for the 2016-17 biennium is accordingly as follows:

a. Professional

D1 (Secretary)
 P5 (Global Information System and Multilateral System)
 P4 (Programme and Management)
 P4 (Multilateral System and Global Information System Operations)
 P4 (Funding Strategy and Benefit-sharing Fund Operations)
 P4 (Donor Liaison)
 P3 (Outreach and Communication)
 P3 (Multilateral System and Benefit-sharing)
 P3 (Systems Operations Support)

b. General Service:

G5 (Administrative support clerk)
 G4 (Secretary)
 G4 (Clerk typist)
 G3 (Clerk)

**IV. CORE IMPLEMENTING FUNCTIONS OF THE TREATY TO BE FUNDED
 BY THE CORE ADMINISTRATIVE BUDGET IN THE 2016-17 BIENNIUM**

20. The elements of the *Core Implementing Functions* component of the *Core Work Programme* reflect the progressive development of Treaty systems. This component seeks to advance the progress achieved for the Treaty systems in the current biennium, particularly in the enhancement of the Multilateral System of Access and Benefit-sharing and launch of the Global Information System.

21. *Annex 3* of this document lists, in summary format, the proposed elements of *Core Implementing Functions* in the 2016-17 biennium, at a no growth level, as described in the various current working documents of the session. They are described here, by activity area, as in *Annex 3*.

ON-GOING OPERATIONAL CORE IMPLEMENTING FUNCTIONS

CIF-1: Cooperation with the Convention on Biological Diversity (CBD) and other international organizations

22. Cooperation with the relevant international organizations, especially with the CBD whose work closely relates to the implementation of the Treaty, continues to be important to further advance the Treaty's objectives. Those liaison functions established for the current biennium will therefore be consolidated into a single position in the next biennium for better coherence and efficiency. The outcome will be the implementation of distributed work programmes through partnerships and collaborations.²

23. The implementation of the Nagoya Protocol is in various regions causing severe complexity for plant breeding and the only solution for users of the Multilateral System is a harmonious implementation of the Treaty and the Nagoya Protocol. At the same time, the cooperation built by the Secretary and the CBD Executive Secretary in past biennia continues to be excellent and further expanding. Thus, top priority is given to this close and strategically important collaboration. The outcome is harmonious implementation of the Treaty and CBD Nagoya Protocol.

CIF-2: Maintenance of the Multilateral System

24. The Multilateral System of Access and Benefit-sharing remains the central and most elaborate part of the Treaty, requiring the most intense management attention. In the present biennium some regions expressed particular concern for inclusion of more material in the Multilateral System. This inclusion and the further consolidation and stabilization of core business processes of the Multilateral System as well as relevant capacity building will be the focus. The outcome is continued legal certainty for plant breeding and the exchange of PGRFA.

CIF-3: Mobilizing resources for the Benefit-sharing Fund

25. One of the most urgent issues in sustaining the Enhancement process of the Treaty is to be able to provide for further project cycles of the Benefit-sharing Fund. Since innovative approaches for user-based income being developed in that process, still require one or two biennia before they can generate income, it is critical to sustain and accelerate the momentum of donor liaison and resource mobilization which has been created from the Strategic Plan adopted by the Governing Body at its Third Session. Focused donor cultivation events are backed by the systematic identification and monitoring of donor prospects, continuous liaison and preparation of high-quality proposals. The outcome is launch of fourth funding cycle of the Fund.

CIF-4: Operations of the Benefit-sharing Fund

26. The operations of the Benefit-sharing Fund, another core system of the Treaty, will see further progress and will draw on the successes and lessons learned in previous rounds. The approved project proposals for the third round will require intensive work such as the preparation of project agreements and fund disbursement to the field; project monitoring and the planning of supervision missions; and review and approval of project reports. In this regard, it should be recalled that several projects approved under the third cycle have the duration of 4 years. The outcome is the full implementation of the third and foreseen fourth rounds of the funding cycle.

CIF-5: Continuation of the Ad Hoc Open-ended Working Group to Enhance the Functioning of the Multilateral System

27. The *Ad Hoc* Working Group to Expand Benefit-sharing and the Scope of the Multilateral System will present its recommendations for consideration and adoption by the Governing Body at its Sixth Session. Depending on the decisions taken, it may be deemed necessary to continue the work of this *Ad Hoc* Working Group into the next biennium. This draft Budget sets aside the sum of USD 110,000 for this process which would cover approximately 2 meetings. The outcome is the enhancement of the Multilateral System of Access and Benefit-sharing.

CIF-6: Information Systems for PGRFA

28. The most effective way to add value to the Multilateral System and increase users' interest and payments, is by complementing germplasm from the Multilateral System with value-added data about that germplasm from the Global Information System. At the same time, the fully operational Global Information System will contribute to non-monetary benefit-sharing, as stated in Article 17. Special emphasis is thus given to the implementation of the Global Information System and connecting it with the Multilateral System in accordance with the programme of work developed by the Consultation on the Global Information System. The integrated delivery of genetic material and information by the Treaty systems will increase value-added for users and incentives for use of the Systems.

² Accordingly, the cost of one P4 is reflected in the relevant CIFs under 'A.2 Temporary posts'.

CIF-7: Enhancement of the Funding Strategy and continuation of the Ad Hoc Advisory Committee on the Funding Strategy (ACFS)

29. The Funding Strategy is critical to the implementation of the Treaty and the Governing Body has not reviewed it since it was adopted at the First Session of the Governing Body. Improving its functioning will be in support of the enhancement of the Multilateral System. The revision of the Funding Strategy is foreseen in the Multi-year Programme of Work for the next biennium and accordingly the Ad Hoc Advisory Committee on the Funding Strategy, which has supported the Governing Body in the implementation of the Funding Strategy for four biennia, will be reconvened. The outcome will be a more efficient, aligned and sustainable Funding Strategy of the Treaty.

CIF-8: CBCM, capacity building and training for implementation of the MLS and GLIS

30. Capacity-building is of prime importance in the enhanced functioning of the Multilateral System. Its topicality has grown further as Parties to the Nagoya Protocol begin to implement national enabling frameworks for the International Regime. The activity ensures that the role of the Treaty is adequately reflected and, following advice from the Contracting Parties, will focus on training, by identify existing centres which provide relevant training and could function as partners in an international network with a common curriculum. The outcome will be more capacity and knowledge for full Treaty implementation in Contracting Parties.

CIF-9: Implementation of Article 6 and related provisions

31. In order to ensure a holistic approach to conservation and sustainable use of plant genetic resources and Farmers' Rights, the Programme of Work on Sustainable Use and activities on farmers' rights will be implemented through partnerships with relevant institutions and stakeholders and facilitated by the *Ad Hoc* Committee on Sustainable Use. The outcome will be improved implementation of sustainable use, conservation and farmers' rights under the Treaty.

V. DONOR-SUPPORTED PROJECTS, IN ADDITION TO THE CORE WORK PROGRAMME

32. In addition to activities decided by the Governing Body as the *Core Work Programme*, the Secretariat also undertakes *donor-supported projects* in the context for the Special Funds for Agreed Purposes, and as part of the Overall Work Programme. Donor-supported projects make full provision for the resources necessary to execute them, and are budgeted separately. Such projects typically provide for technical and policy assistance to developing country Contracting Parties, individual workshops and meetings, and outreach programmes. *Addendum 1* of document IT/GB-6/15/25 Add.1, *Draft Work Programme and Budget for the 2016-17 Biennium – Donor-supported activities under the Special Fund for Agreed Purposes: Report on activities in 2014-15, and projects proposed for further donor support*, reports on activities carried out with direct donor support during the 2014-15 biennium, and outlines a number of projects that donors may now be invited to contribute to. The Governing Body is invited to endorse the proposed projects and to invite donors to contribute to them.

VI. THE WORKING CAPITAL RESERVE

33. The *Financial Rules* make provision for a *Working Capital Reserve (Financial Rule 6.4)*”

“The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.”

34. The current level of the Working Capital Reserve was established at USD 400,000 by Resolution 9/2011 (v) of the Fourth Session of the Governing Body. In view of the no growth nature of the current proposal, no variation to the current level of the Working Capital Reserve is proposed.

POSSIBLE ELEMENTS OF A RESOLUTION**Resolution .../2015 - Work Programme and Budget 2016-17****The Governing Body,****Recalling** that:

- a) The FAO Governing Bodies have determined that the International Treaty on Plant Genetic Resources for Food and Agriculture is a priority FAO activity;
- b) That the FAO Conference has recommended that “*statutory bodies and conventions will be strengthened, enjoying more financial and administrative authority within the framework of FAO and a greater degree of self-funding by their Members*”;

Recognizing that:

- a) The Treaty is at a crucial enhancement stage, in which the future sustainability and relevance of the Treaty are at stake;
- b) The execution of the Work Programme is subject to adequate resources being available, in a timely manner, within the Core Administrative Budget, and that this will be essential to the future functioning, credibility and effectiveness of the Treaty;
- c) Exclusion of essential inter-sessional activities from the Core Administrative Budget may create significant uncertainty in the planning and execution of those activities, as experienced in the current biennium;

Adopts the Treaty’s Work Programme and the Core Administrative Budget for the biennium 2016-17, as contained in *Annex 1* to this resolution;

Adopts the indicative scale of contributions, in accordance with Financial Rule V.1b, as contained in *Annex 2* to this resolution;

- i. **Urges** all Contracting Parties to provide the resources required in the Core Administrative Budget, as adopted;
- ii. **Urges** Contracting Parties who made no, or only limited contributions in previous biennia, to make contributions to the Core Administrative Budget;
- iii. **Commends** the project proposals contained in the *Addendum to Annex 1* to this Resolution to donor Governments and institutions, and **invites** them to provide the funding necessary for the implementation of these projects;
- iv. **Invites** States that are not Contracting Parties, inter-governmental organizations, non-governmental organizations and other entities, to also contribute to the Core Administrative Budget;
- v. **Takes note** of the provisional proposed contribution from FAO of USD 2,000,000;
- vi. **Confirms** the level of the Working Capital Reserve at USD 400,000;
- vii. **Notes further** that Contracting Parties, who have not contributed to the Working Capital Reserve, will be requested to contribute the balance necessary to bring the reserve up to its established level, in the call for contributions for the 2016-17 biennium, by separate voluntary contributions, in addition to their voluntary contributions to the Core Administrative Budget;
- viii. **Approves** the Secretariat staffing structure for the biennium 2016-17 set out in *Annex 3* to this Resolution, recognizing that the precise staffing arrangements are a matter of the normal executive authority of the Secretary;
- ix. **Warmly thanks** those Governments who have generously donated substantial funds for additional project activities, outside the Core Administrative Budget, thereby assisting the Treaty in establishing its operational systems and **invites** Governments to replenish the funds for project activities which will be critical for the continued successful implementation of the Treaty in the 2016-17 biennium;
- x. **Warmly thanks** the Government of Italy and Norway for the staff resources that they have made available to support and extend the activities of the Treaty;

- xi. **Confirms** that Contracting Parties that are developing countries and countries with economies in transition should be informed by the Secretary, in a timely manner before a meeting, of the availability of resources to support their participation in that meeting from the Fund referred to in the Treaty's Financial Rule VI.2c, and that, where such funding is limited, priority should be given to the least developed countries;
- xii. **Appeals** to donors urgently to replenish the Fund to Support the Participation of Developing Countries;
- xiii. **Appeals** to Contracting Parties urgently to contribute to the Trust Fund for Agreed Purposes to replenish resources required to support the implementation and further evolution of the Treaty in alignment with its 2016-17 Work Programme;
- xiv. **Requests** the Secretary to continue to seek opportunities to hold Treaty meetings back-to-back with other relevant meetings to save on travel costs;
- xv. **Requests** the Secretary to submit a draft Work programme and Budget for the biennium 2018-19, including a Secretariat staffing table and a Draft Resolution, for the consideration of the Governing Body at its Seventh Session, and to report on progress on income and expenditures, as well as any adjustments made to the budget in the biennium 2016-17;
- xvi. **Requests** the Secretary to provide a detailed financial report, at least six weeks in advance, to the Seventh Session of the Governing Body.

(Adopted on XX October 2015)

ANNEX 1

Proposed no growth Core Work Programme: 2016 - 2017 Biennium – Resource requirements

	A	B	C
	Core Maintenance Function	Core Implementing Functions	Core Administrative Budget
All amounts in USD			
A. Human resources			
A.1 Established staff positions (with no variation)	4,442,986	-	4,442,986
A.2 Temporary posts	-	422,703	422,703
A.3 Other consultancy costs	140,400	241,500	381,900
Total A. Human Resources	4,583,386	664,203	5,247,589
B. Meetings			
B.1 Governing body	650,000	-	650,000
B.2 Bureau	31,275	-	31,275
B.3 Compliance Committee	30,000	-	30,000
B.4 Panel of Experts for the appraisal of project proposals	-	-	-
B.5 Activity related		245,000	245,000
Total B. Meetings	711,275	245,000	956,275
C. Other costs			
C.1 Core staff duty travel	100,000	57,500	157,500
C.2 Publications and communication	66,569	2,500	69,069
C.3 Supplies and equipment	51,207	-	51,207
C.4 Contracts	52,231	-	52,231
C.5 Miscellaneous	20,483	-	20,483
Total C. Other Costs	290,491	60,000	350,491
Total A + B + C	5,585,152	969,203	6,554,355
D. General Operating Services	223,404	38,766	262,170
Operating Budget	5,808,556	1,007,969	6,816,525
E. Project Servicing Cost	228,509	60,482	288,991
Totals	6,037,065	1,068,452	7,105,517

Funding of the Proposed Core Administrative Budget	
Total Core Work Programme	7,105,517
Less:	
F. FAO contribution	[2,000,000]
Net amount to be funded by Contracting Parties	5,105,517

**ANNEX 2: Proposed Maintenance Functions: 2016 - 2017 Biennium –
Resource requirements**

Treaty Article	Core Maintenance Function		
	19-20		
	25, 25 Add.1		
GB Doc reference	Cost - USD	EIU CPI increase	Total Cost - USD
A. Human resources			
A.1 Established staff positions [1]	4,442,986	-	4,442,986
A.3 Consultancy costs			
Treaty maintenance and Statutory meeting related	140,400	-	140,400
Total A. Human Resources	4,583,386	-	4,583,386
B. Meetings -Statutory Bodies			
B.1 Governing body [2]	650,000	-	650,000
B.2 Bureau	31,275	-	31,275
B.3 Compliance Committee [3]	30,000	-	30,000
B.4 Panel of Experts for the appraisal of project proposals [4]	-	-	-
Total B. Meetings	711,275	-	711,275
C. Other costs			
C.1 Core staff duty travel	100,000	-	100,000
C.2 Publications	65,000	1,569	66,569
C.3 Supplies and equipment	50,000	1,207	51,207
C.4 Contracts	51,000	1,231	52,231
C.5 Miscellaneous	20,000	483	20,483
Total C. Other Costs	286,000	4,491	290,491
Total A + B + C	5,580,661	4,491	5,585,152
D. General Operating Services (4% of A + B + C)	223,224	179	223,404
Operating Budget	5,803,885	4,669	5,808,556
E. Project Servicing Cost (6% of Operating Budget less FAO contribution)	228,231	278	228,509
Core Administrative budget	6,032,117	4,949	6,037,065
F. FAO contribution	2,000,000	-	2,000,000
Balance to be funded by Contracting Parties	4,032,117	4,949	4,037,065
Notes:			
[1] In accordance with approved Secretariat staffing table			
[2] In accordance with Article 19 of The Treaty			
[3] In accordance with Article 19.3 & 21 of The Treaty			
[4] In accordance with Step 5 of Annex 3 of the Funding Strategy as adopted by GB 2 Meeting of 14 experts for 3 days			

ANNEX 3: Proposed Implementing Functions, 2016 - 2017 Biennium – Resource requirements

Reference	Core Implementing Functions									Total Core Implementation Functions
	CIF-1	CIF-2	CIF-3	CIF-4	CIF-5	CIF-6	CIF-7	CIF-8	CIF-9	
Related activity area	Liaison with CBD and other international organizations	Maintenance of the MLS	Mobilizing resources for the BSF	Operations of the BSF	Ad Hoc Open-ended Working Group on the Enhancement of the Functioning of the Multilateral System of Access and Benefit-sharing	Information Systems for PGRFA	Funding Strategy and Ad Hoc Committee on the Funding Strategy	CBM, capacity building and training for implementation of the MLS and GLIS	Implementation of Article 6 and related provisions	
Treaty Articles	all	10 - 13	18.4	18.4	18,13	5,13,15 & 17	13,18	20.5	5,6,9	
All amounts in USD										
A. Human resources										
A.1 Established staff positions										
A.2 Temporary posts <i>NB: One post only, assigned across different CIFs</i>	253,622			-		105,676	-	-	63,406	422,703
A.3 Other consultancy costs	-	81,000	32,400	8,100	8,100	8,100	49,400	54,400	-	241,500
Total A. Human Resources	253,622	81,000	32,400	8,100	8,100	113,776	49,400	54,400	63,406	664,203
B. Meetings										
Other Meetings										
B.5 Activity related		-	60,000	-	110,000	-	20,000	35,000	20,000	245,000
Total B. Meetings	-	-	60,000	-	110,000	-	20,000	35,000	20,000	245,000
C. Other costs										
C.1 Core staff duty travel	15,000	15,000	15,000	-	-	-	-	12,500	-	57,500
C.2 Publications and communication		-	-	2,500	-	-	-	-	-	2,500
C.3 Supplies and equipment	-	-	-	-	-	-	-	-	-	-
C.4 Contracts	-	-	-	-	-	-	-	-	-	-
C.5 Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total C. Other Costs	15,000	15,000	15,000	2,500	-	-	-	12,500	-	60,000
Total A + B + C	268,622	96,000	107,400	10,600	118,100	113,776	69,400	101,900	83,406	969,203
D. General Operating Services (4% of A + B + C)	10,745	3,842	4,296	424	4,724	4,551	2,776	4,072	3,336	38,766
Operating Budget	279,367	99,842	111,696	11,024	122,824	118,327	72,176	105,972	86,742	1,007,969
E. Project Servicing Cost (6% of Operating Budget - excluding FAO contribution on Maintenance Function)	16,759	5,991	6,706	661	7,373	7,099	4,329	6,360	5,205	60,482
Totals	296,126	105,833	118,402	11,685	130,197	125,425	76,505	112,332	91,946	1,068,452

ANNEX 4: Proposed Core Administrative Budget and Work Programme: 2016 - 2017 Biennium - cost variation by budget category

	A	B	C	D	E	F	G
	Approved 2014-15 Core Administrative Budget	8% ICRU (where applicable)	Effective cost of 2014-15 Budget	2.4% EIU-CPI for 2016-17	No Growth basis for 2016-17 budget	Proposed 2016-17 Core Administrative Budget	Variation compared to No Growth
Category	USD			USD		USD	%
A. Human Resources	4,623,670	236,355	4,860,025	117,340	4,977,365	5,247,589	5.43%
B. Meetings	1,198,525		1,198,525	28,937	1,227,462	956,275	-22.09%
C. Other Costs	348,640		348,640	8,418	357,058	350,491	-1.84%
Total A + B + C	6,170,835	236,355	6,407,190	154,695	6,561,885	6,554,355	-0.11%
D. General Operating Services	246,829	9,454	256,284	6,188	262,475	262,170	-0.12%
Operating Budget	6,417,664	245,809	6,663,474	160,883	6,824,361	6,816,525	-0.11%
E. Project Servicing Cost	265,062	14,749	279,810	9,653	289,462	288,991	-0.16%
Totals	6,682,726	260,558	6,943,284	170,536	7,113,822	7,105,517	-0.12%

ANNEX 5: ASSUMPTIONS USED IN COSTING THE CORE ADMINISTRATIVE BUDGET

Inflation and cost increases

1. The annual inflation rate (consumer prices) in Italy, where the Secretariat incurs the greater part of its expenditure in Euros, has been forecast at approximately 1.2 % *per annum* for the period 2016-2017.

2. The cost of Maintenance Functions in this proposed budget has been calculated on a no growth basis, with increases included exclusively to maintain purchasing power. This increase of 1.2% per annum is in line with the Consumer Price Index (CPI) of the Economist Intelligence Unit for Italy for the period 2016-17.

Human Resources

The revised FAO standard rates for the 2016-2017 biennium have been used in the computation of staff costs.

Meetings

A statutory task of the Secretary and the Secretariat is to provide administrative support for sessions of the Governing Body and its subsidiary bodies, including the preparation of documentation. In the 2016-17 biennium, the proposed meetings of the following subsidiary bodies are provided for in *Annex 2*:

- One Session of the Governing Body;
- One meeting of the Bureau of the Governing Body in each year of the biennium.
- Two meetings of the Compliance Committee (In accordance with Article 19.3 & 21 of The Treaty)
- All costs related to other statutory meetings have remained unchanged

Other costs

This allocation covers costs relating to secretariat travel, publications, equipment and miscellaneous expenditure, and is in line with the allocation approved in the 2014-15 Core Administrative Budget. It includes the cost of the contract with the International Computing Centre for the hosting of the SMTA server.

General Operating Expenses

General Operating Expenses represent charges for the full range of support services needed to run the Secretariat offices and related operations, and are calculated at a rate of 4% of the sum of the costs in the budget annexes.

Project Servicing Costs

Project Servicing Costs (*PSC*) are charged by FAO to cover the indirect variable administrative and operational costs of servicing Trust Funds. The rate currently being charged to the Treaty has been established at 6%, and is applied in the budget annexes. (Note: Project Servicing Costs are, logically, not chargeable on the FAO contribution to the Treaty)

FAO contribution

The figure of USD 2 million is as approved by the FAO Conference in June 2015 and is cited in paragraph 83 of the Director General's Programme of Work and Budget 2016-17,