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COMMITTEE FOR THE NAGOYA PROTOCOL ON
ACCESS TO GENETIC RESOURCES AND THE FAIR
AND EQUITABLE SHARING OF BENEFITS
ARISING FROM THEIR UTILIZATION

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**PROGRAMME BUDGET FOR THE WORK PROGRAMME FOR THE BIENNIUM
FOLLOWING THE ENTRY INTO FORCE OF THE NAGOYA PROTOCOL ON ACCESS TO
GENETIC RESOURCES AND THE FAIR AND EQUITABLE SHARING OF BENEFITS
ARISING FROM THEIR UTILIZATION**

I. INTRODUCTION

1. According to Article 28 of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization, the Secretariat of the Convention on Biological Diversity as established by Article 24 of the Convention is to serve as the secretariat to the Protocol. Additionally, Article 28, paragraph 3, of the Nagoya Protocol states that, to the extent that they are distinct, the costs of the secretariat services for the Protocol shall be met by the Parties thereto.

2. It is further stated that the Conference of the Parties serving as the meeting of the Parties to the Protocol shall, at its first meeting, decide on the necessary budgetary arrangements to this end. In order to assist the Intergovernmental Committee in its consideration of this item, the Executive Secretary has prepared a draft programme budget for the biennium following the entry into force of the Protocol which is assumed to be biennium 2015-2016, (UNEP/CBD/ICNP/2/2), which highlights the costs of the secretariat services for the Nagoya Protocol.

3. The administrative costs of the Secretariat of the Convention on Biological Diversity are met on a biennial basis from a general trust fund or “core budget” (hereinafter referred to as the “BY Trust Fund”), managed by the United Nations Environment Programme in keeping with the Financial Rules of the Convention. In addition to BY Trust Fund, the Parties to the Convention have established two additional voluntary trust funds: the Special Voluntary Trust Fund for Additional Voluntary Contributions in Support of Approved Activities (BE Trust Fund), and the Special Voluntary Trust Fund for Facilitating Participation of Parties in the Convention Process (BZ Trust Fund).

* UNEP/CBD/ICNP/2/1/Rev.1.

4. The BY Trust Fund is financed from contributions made by Parties to the Convention based on a scale of assessments established by the Conference of the Parties to the Convention every biennium. In addition to the assessed contributions of Parties, the BY Trust Fund is financed from additional contributions made by the Parties, non-Parties, intergovernmental and non-governmental organizations and other sources.

5. The core budget of the Convention (BY trust fund) is approved by the Conference of the Parties every biennium and covers costs such as staff salaries and emoluments; rental and maintenance of premises; staff travel; conference servicing; equipment and supplies; communication costs; reporting costs; consultants; temporary assistance, overtime and hospitality.

6. Voluntary contributions made to the BE and BZ trust funds are in general earmarked by the donors for specific activities and meetings, and are reported on separately from the core budget. Indicative budgets are approved by the Conference of the Parties every biennium for the BE and BZ trust funds based upon the approved work programme of the Secretariat of the Convention, and the expectations of additional funding requirements that cannot be met from the core budget. The Secretariat proposes that for the Protocol, funding for additional approved activities and for the participation of developing country Parties and Parties with economies in transition in the meetings under the Nagoya Protocol be met from the BE Trust Fund and the BZ Trust Fund, respectively.

7. The Nagoya Protocol is not expected to come into force before the convening of the eleventh meeting of the Conference of the Parties to the Convention on Biological Diversity and the associated adoption of the programme budget for the 2013-2014 biennium, therefore the budget to cover the activities related to the preparations necessary for the implementation of the Nagoya Protocol during this period will be included within the documentation on the budget to be presented to the eleventh meeting of the Conference of the Parties to the Convention.

8. The proposed budget for the 2013-2014 biennium is likely to reflect some adjustments to the structure of the Secretariat to address the implementation phase of the Convention. However, the access and benefit-sharing work programme for the 2013-2014 biennium will continue to be funded as one of the work programmes.

9. The present note has been prepared in order to assist the Intergovernmental Committee for the Nagoya Protocol (ICNP) in providing guidance to the Conference of the Parties to the Convention serving as the first Meeting of the Parties to the Protocol on the financial resources required for the implementation of the Nagoya Protocol on Access and Benefit-Sharing in the biennium 2015-2016.

10. Section II below presents an overview of the proposed Nagoya Protocol programme budget for the biennium 2015-2016.

11. Section III presents the key factors and assumptions taken into account in estimating the proposed Nagoya Protocol programme budget for the biennium 2015-2016. Table 1 contains a summary of the proposed core programme budget. Table 2 summarizes the staffing requirements of the Nagoya Protocol work programme from the core budget. Annexes I and II contain summaries of the resource requirements for the Nagoya Protocol work programme from the BE and BZ trust funds.

12. Section IV presents the elements of a draft recommendation of the Intergovernmental Committee on the Nagoya Protocol on this matter based on the proposed programme outlined in the present document.

13. It must be stressed that the proposed programme budget looks far into the future and represents the Secretariat's best estimates of its work over the 2015-2016 biennium at the present time. It will need to be adjusted in response to decisions and guidance emanating from the Intergovernmental Committee, the Conference of the Parties to the Convention serving as the meeting of the Parties to the Protocol and the Conference of the Parties.

II. PROPOSED WORK PROGRAMME AND BUDGET OF THE NAGOYA PROTOCOL ON ACCESS AND BENEFIT SHARING

A. Proposed programme of work

14. In light of the provisions of the Protocol itself, which stipulate matters that must be addressed by the Conference of the Parties at its first meeting serving as the meeting of the Parties to the Protocol, and based on the ICNP work plan approved by the Conference of the Parties in its decision X/1, annex II, it is envisaged that the Nagoya Protocol programme of work during its first biennium will focus on the following issues with the aim to facilitating the implementation of the Protocol: modalities of operation of the ABS Clearing-House (Article 14, paragraph 4); cost of secretariat services (Article 28, paragraph 3); measures to assist in capacity-building, capacity development and strengthening of human resources and institutional capacities in developing countries and economies in transition (Article 22); measures to raise awareness to the importance of genetic resources and associated traditional knowledge and related access and benefit-sharing issues (Article 21); cooperative procedures and institutional mechanisms to promote compliance with the Protocol and to address cases of non-compliance (Article 30); elaboration of guidance for the financial mechanism (Article 25); elaboration of guidance for resource mobilization for the implementation of the Protocol; the need for and modalities of a global multilateral benefit-sharing mechanism (Article 10), and any other issues that the Conference of the Parties serving as the meeting of the Parties to the Protocol may identify as necessary for the effective implementation of the Protocol.

15. The Nagoya Protocol work programme will be responsible for providing Secretariat support to the Conference of the Parties serving as the meeting of the Parties to the Protocol and the Bureau. The programme will also serve as the principal point of contact between the Secretariat and other international organizations or processes working on issues of relevance to the Protocol.

B. Proposed budget

16. The Executive Secretary has reviewed the outcome of the first meeting of ICNP and anticipating the foreseen needs of the Protocol for the 2015-2016 biennium has proposed the following budget.

17. Additional staffing will be requested at the eleventh meeting of the Conference of the Parties for the 2013-2014 biennium as follows:

(a) One P-3 Programme Officer, one P-2 Associate Programme Officer and one programme assistant to support the implementation of the Access and Benefit-sharing Clearing-House;

(b) One P-3 Programme Officer to support capacity-building and awareness-raising activities to be carried out by the Secretariat for the Nagoya Protocol.

18. For the pilot phase of the ABS Clearing-House, the Secretariat was able to hire temporary staff thanks to the generous financial contributions of Germany, Switzerland and the European Community. However, in light of the experience of the Biosafety Protocol and in order to ensure the proper functioning of the ABS Clearing-House in the long run, the Secretariat will need to establish three

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positions at the Secretariat (one P-3 programme officer, one P-2 Associate Programme Officer and one programme assistant).

19. With respect to capacity-building and awareness-raising activities, the Secretariat was able to promote the early ratification and entry into force of the Protocol thanks to the funds provided by the GEF and co-financing from the Japan Fund under a Medium-Sized Project initiated in 2011. Once this project is finalized in March 2013, human and financial resources at the Secretariat to continue these activities will be limited. Therefore, to ensure that the Secretariat can continue to provide support to Parties, through awareness-raising and capacity-building activities, it is requested that a P-3 position be established.

20. In summary, three Professional posts and one General Service post have been added to the budget: one P-3 Programme Officer and one P-2 Associate Programme Officer on the ABS Clearing-House, one P-3 Programme Officer for capacity-building and awareness-raising and one Programme Assistant for the ABS Clearing-House.

21. Additionally, funds have been included in this budget to cover the shared costs of the following seven staff already working at the Convention who will be allocating some of their time to the Programme of Work of the Nagoya protocol:

- Senior legal officer (P-5)
- Programme Officer – Traditional Knowledge (P-4)
- Information/Press Officer (P-4)
- Computer Information Systems officer (P-3)
- Computer Systems officer (P-3)
- Computer Operations Assistant (G-6)
- Computer Operations Assistant (G-6)

22. It is estimated that 15 per cent of the time of these staff will be dedicated to the work of the Nagoya Protocol and in keeping with the practice of the Convention the staff costs have been apportioned accordingly. Finally, given the need to better integrate the various work programmes of the Convention and its Protocols in the implementation phase, it is expected that other staff members of the Secretariat will contribute from time to time to the work programme of the Protocol although this cannot be quantified.

23. In addition to the staff costs, the budget for 2015-2016 includes funds for the convening of the second meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol; two meetings of the Informal Advisory Committee on the ABS Clearing-House; meetings of the Bureau of the Nagoya Protocol as well as associated common services costs for the day to day activities.

24. It should be borne in mind that additional funding may be required for any subsidiary body(ies) that may be recommended by the Intergovernmental Committee and established by the Parties to the Protocol.

25. The proposed budget of the BE Trust Fund in support of additional approved activities, and the BZ Trust Fund for facilitating the participation of developing country Parties in the process of the Convention are presented in annexes I and II respectively.

26. With a view to support the implementation of the Nagoya Protocol, it is suggested that 5 regional capacity-building meetings be organized during the biennium following the entry into force of the

Protocol under the BE Trust Fund. It should also be borne in mind that additional funding may be needed for the organization of technical expert meetings, as may be decided by the Parties to the Protocol.

*Table 1. Nagoya Protocol resource requirements from the core budget (BY Trust Fund)
(United States dollars)*

Expenditure	2015	2016
Staff costs	1,290,500	1,319,100
ABS Bureau meetings (1/year)	40,000	80,000
Travel on official business	50,000	50,000
Consultants/Sub-contracts	20,000	20,000
ABS Clearing-House consultants	20,000	20,000
ABS Clearing-House-hardware/software	20,000	20,000
ABS Clearing-House translation costs	20,000	20,000
Second meeting of the Conference of the Parties to the Convention serving as the meeting of the Parties to the Protocol		500,000
Compliance Committee	30,000	30,000
Clearing-House Informal Advisory Committee meetings (1/year)	30,000	30,000
Information material	10,000	10,000
Common services costs	200,000	200,000
Subtotal	1,730,500	2,299,100
Programme support charges (13%)	224,965	298,883
Total budget (US\$)	1,955,465	2,597,983

Programme support charges (PSC)

27. In accordance with the Financial Regulations and Rules of the United Nations, a 13 per cent overhead charge is payable to the United Nations Environment Programme (UNEP) to cover the costs of administering the Trust Fund. UNEP returns a portion of these payments to the Convention Secretariat to help cover the costs of the Secretariat's support services.

Table 2. Nagoya Protocol staffing requirements from the core budget

	2014	2015	2016
A.			
Professional category			
P-5	1	1	1
P-3	3	3	3
P-2	1	1	1
Total Professional category	5	5	5
B.			
Total General Service category	3	3	3
TOTAL (A + B)	8	8	8

III. ASSUMPTIONS USED IN CALCULATING THE BUDGET

28. Cognizant of the fact that there is uncertainty concerning the eventual date that the Nagoya Protocol will come into force, the Executive Secretary has put forward a proposal that draws upon lessons learned in implementing the ABS work programme for the current biennium (2011-2012) and has made the following assumptions in preparing the budget presented in table 1:

(a) The figures used in calculating staff costs in the budget proposed for the biennium 2015-2016 are based on the average figures used in the preparation of the programme budget of the Convention for the biennium 2013-2014 adjusted for 2% inflation;

(b) Pursuant to the provisions of Article 26, paragraph 6 of the Protocol, ordinary meetings of the Conference of the Parties serving as the meeting of the Parties to the Protocol are to be held concurrently with ordinary meetings of the Conference of the Parties unless the Conference of the Parties serving as the meeting of the Parties to the Protocol decides otherwise. It is assumed that the meetings of the Parties will be held for a duration of one week;

(c) There will be one two-day meeting a year of the Bureau of the Conference of the Parties to the Convention serving as the meeting of the Parties to the Protocol at the seat of the Secretariat, and, additionally, the Bureau will meet every day during the meetings of the Conference of the Parties serving as the meeting of the Parties to the Protocol;

(d) Two ABS Clearing-House informal advisory committee meetings (1 per year) will be held for three days at the site of the Secretariat with three representatives per region;

(e) Five regional capacity-building workshops of 3 working days each (approx. 30 participants) will be convened over the biennium, providing the voluntary funds are forthcoming.

IV. POSSIBLE ACTION BY THE INTERGOVERNMENTAL COMMITTEE

29. With the entry into force of the Protocol, it is envisaged that the additional costs arising from the Protocol should be met by the Parties. However as has been shown with the Cartagena Protocol on Biosafety, identifying the separate costs of implementing the Protocol at this moment is problematic. For example, a number of the proposed activities draw heavily upon existing activities of the Convention. Thus, the costs of holding the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol are reduced because it is to be held concurrently with a regular meeting of the Conference of the Parties, and the Nagoya Protocol staff draws on the assistance of other parts of the Secretariat in servicing meetings of the Protocol. It is not possible to accurately apportion these costs. In addition, there is some uncertainty as to whether, in the early years following entry into force, the number of Parties and their capacity to pay will be sufficient to make separate funding for activities under the Protocol financially viable.

30. The Executive Secretary therefore recommends that for the biennium (2015-2016), the total cost of the Nagoya Protocol programme of work be borne on an interim basis by the Parties to the Convention.

31. The Intergovernmental Committee may wish to consider the proposed programme budget and make recommendations to the Parties to the Protocol at their first meeting on the necessary budgetary arrangements for the Secretariat to service the Protocol and implement the access and benefit-sharing programme of work.

32. The Intergovernmental Committee may therefore wish to consider the following draft elements of decision by the Conference of the Parties to the Convention, which are based on the proposed programme budget contained in this note:

The Intergovernmental Committee for the Nagoya Protocol on Access and Benefit Sharing

Recommends that the Conference of the Parties serving as the meeting of the Parties to the Protocol approve the following elements and invite the Conference of the Parties to include them in the BY, BE and BZ trust funds for the Convention on Biological Diversity and in the relevant decision of the Conference of the Parties at its twelfth meeting:

(a) A core programme budget of \$1,955,465 for the year 2015 and of \$2,597,983 for the year 2016, for the purposes, as set out in table 1 above and incorporate it into the core budget of the Convention on Biological Diversity;

(b) The sum of \$248,600 for the purposes, as set out in annex I to the present note, and incorporate it into the Special Voluntary Trust Fund (BE) for Additional Voluntary Contributions in Support of Approved Activities under the Convention on Biological Diversity for the biennium 2015-2016;

(c) The sum of \$678,000 for the purposes, as set out in annex II to the present note, and incorporate it into the Special Voluntary Trust Fund (BZ) for Facilitating Participation of Parties in the processes of the Convention for the biennium 2015-2016;

(d) A Nagoya Protocol staffing level of eight posts (five Professional posts and three General Service posts) at the level indicated in table 2;

(e) That the total cost of the core budget of the Nagoya Protocol work programme will continue to be borne on an interim basis by the Parties to the Convention for the biennium 2015-2016 or until such a time that the Protocol is ratified by an agreed number of developed and developing country Parties where the costs will then be borne by the Parties on a pro rata basis;

(f) That all Parties to the Convention are invited to note that contributions to the core budget (BY Trust Fund) are due on 1 January of the year in which these contributions have been budgeted for, and to pay them promptly, and urges Parties in a position to do so, to pay by 1 October of the year 2014 for the calendar year 2015 and by 1 October 2015 for the calendar year 2016 the contributions required to finance expenditures approved, and in this regard requests that Parties be notified of the amount of their contributions by 1 August of the year preceding the year in which the contributions are due;

(g) That all Parties and States not Parties to the Protocol, as well as governmental, intergovernmental and non-governmental organizations and other sources, be urged to contribute specific funding for the Protocol to the BY, BE and BZ trust funds;

(h) That the Executive Secretary has the authority to, in concurrence with the Bureau of the Conference of the Parties, to adjust the servicing of the programme of

work, including postponement of meetings, if sufficient resources are not available to the Secretariat in a timely fashion;

(i) That the Executive Secretary prepares and submits a budget for the programme of work for the biennium 2017-2018 to the second meeting the Conference of the Parties to the Convention serving as the meeting of the Parties to the Protocol, and report on income and budget performance as well as any adjustments made to the Protocol budget for the biennium 2015-2016;

(j) That the Executive Secretary enters into direct administrative and contractual arrangements with Parties and organizations – in response to offers of human resources and other support to the Secretariat – as may be necessary for the effective discharge of the functions of the Secretariat as it relates to the Protocol, while ensuring the efficient use of available competencies, resources and services, and taking into account United Nations rules and regulations. Special attention should be given to possibilities of creating synergies with relevant existing work programmes or activities that are being implemented within the framework of other international organizations in accordance with relevant COP/MOP decisions.

Annex I

NAGOYA PROTOCOL RESOURCE REQUIREMENTS FROM THE SPECIAL VOLUNTARY TRUST FUND (BE) FOR ADDITIONAL VOLUNTARY CONTRIBUTIONS IN SUPPORT OF APPROVED ACTIVITIES FOR THE 2015-2016 BIENNIUM

(in United States dollars)

I	Description	2015	2016
1.	<i>Meetings</i>		
	Regional capacity-building/awareness raising workshops (5)	140,000	80,000
	Subtotal	140,000	80,000
II.	Programme support charges (13%)	18,200	10,400
	Total Cost (I + II)	158,200	90,400

Annex II

**NAGOYA PROTOCOL REQUIREMENTS FROM THE SPECIAL VOLUNTARY TRUST FUND
(BZ) FOR FACILITATING PARTICIPATION OF PARTIES IN THE CONVENTION PROCESS
FOR THE 2015-2016 BIENNIUM**

(in United States dollars)

	Description	2015	2016
I.	<i>Meetings</i>		
	Meeting of the Parties		600,000
	<i>Subtotal I</i>		600,000
II	Programme support charges (13%)		78,000
	Total Cost (I + II)		678,000