



**Convention on
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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

Third meeting

Pyeongchang, Republic of Korea, 24-28 February 2014

Item 3.1 of the provisional agenda*

**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. At its eleventh meeting, the Conference of the Parties, in decision XI/31, requested the Executive Secretary to prepare a report on possible implications for the Convention budget resulting from the entry into force of the Nagoya Protocol and the application of its Article 28 (3), and to submit that report to the third meeting of the Intergovernmental Committee, the meeting of the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol (COP-MOP) and the twelfth meeting of the Conference of the Parties (paragraph 21).

2. 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 further 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. 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.

3. Notwithstanding the expected ratification of the Nagoya Protocol, all Parties to the Convention on Biological Diversity have obligations under the third objective of the Convention as an integral part of the objectives of the Convention as seen in Articles 1, 8(j), 15 and other related Articles of the Convention on Biological Diversity. As such, this document presents, for the consideration of the Intergovernmental Committee of the Nagoya Protocol at its third meeting, elements of the Access and Benefit-Sharing workplan of the Convention, including specific costs associated with the coming into force and implementation of the Nagoya Protocol.

* UNEP/CBD/ICNP/3/1.

4. In order to assist the Intergovernmental Committee in its consideration of this item, and in keeping with paragraph 21 of decision XI/31, and pursuant to paragraph 23* of decision X/45, 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/3/2), which highlights the costs of the secretariat services for the Nagoya Protocol as an integral part of the costs of ABS activities under the Convention.

5. 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 the BY Trust Fund, the Parties to the Convention have established three voluntary trust funds: the Special Voluntary Trust Fund for Additional Voluntary Contributions in Support of Approved Activities (BE Trust Fund); the Special Voluntary Trust Fund for Facilitating Participation of Parties in the Convention Process (BZ Trust Fund); and the Special Voluntary Trust Fund for Facilitating Participation of Indigenous and Local Communities in the Convention Process (VB Trust Fund).

6. 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.

7. 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. The Secretariat proposes that for the Protocol, funding for approved core activities be met from the BY Trust Fund.

8. Voluntary contributions made to the BE, BZ and VB 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, BZ and VB 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 and indigenous and local communities in the meetings under the Nagoya Protocol, be met from the BE, the BZ and the VB Trust Funds respectively.

9. Given the number of ratifications and accessions to the Nagoya Protocol, as well as the number of States that are nearing conclusion of their of national requirements for ratification, it is expected that the Protocol will enter into force in time for the first meeting of the Parties to the Protocol, to be held concurrently with the twelfth meeting of the Conference of the Parties to the Convention. The entry into force of the Nagoya Protocol will enable the first achievement of an Aichi Biodiversity Target – Target 16 which has a deadline of 2015.

* * Paragraph 23 of decision X/45 reads: “Notes that in preparation for the entry into force and the implementation of the ABS Protocol the current staffing component servicing the Protocol will need to be reviewed in the budget for the biennium 2013-2014 with the purpose to strengthen this component”.

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. Table 3 summarizes the proposed core programme budget covering the combined Nagoya Protocol and the ABS work programme of the Convention for 2015-2016. Table 4 summarizes the combined ABS and Nagoya Protocol staffing requirements from the core budget of the Convention. Annexes I, II and III contain summaries of the resource requirements for the Nagoya Protocol work programme from the BE, BZ and VB 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 represents the Secretariat's best draft 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, the Conference of the Parties, as well as any guidance emanating from the in-depth functional review of the Secretariat of the Convention which is currently being undertaken.

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 serving as the meeting of the Parties to the Protocol at its first meeting, and based on the workplan for the Intergovernmental Committee for the Nagoya Protocol approved by the Conference of the Parties in its decision X/1, annex II, and decision XI/1, it is envisaged that the Nagoya Protocol programme of work, during its first biennium, will focus on the following issues with the aim of facilitating the implementation of the Protocol: (i) modalities of operation of the ABS Clearing-House (Article 14, paragraph 4); (ii) 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); (iii) measures to raise awareness of the importance of genetic resources and associated traditional knowledge and related access and benefit-sharing issues (Article 21); (iv) cooperative procedures and institutional mechanisms to promote compliance with the Protocol and to address cases of non-compliance (Article 30); (v) elaboration of guidance for the financial mechanism (Article 25); (vi) elaboration of guidance for resource mobilization for the implementation of the Protocol; (vii) the need for and modalities of a global multilateral benefit-sharing mechanism (Article 10), monitoring and reporting (Article 29); (viii) model contractual clauses and codes of conduct, guidelines and best practices and/or standards (Articles 19 and 20); and (ix) 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 is the basis for the Secretariat's provision of 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.

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B. Human and financial resource requirements

16. The Executive Secretary has reviewed the outcomes of the first and second meetings of the Intergovernmental Committee, as well as the intersessional activities as requested by the eleventh meeting of the Conference of the Parties in decision XI/1, and anticipating the foreseen needs of the Protocol coming into force for the 2015-2016 biennium, has proposed the following budget.

17. Increased ABS activities under the Convention, including those resulting from the entry into force of the Protocol, will require additional regularized staffing in order to maintain effective implementation of the work programme.

18. In the current biennium (2013-2014), the following eight and one half (8.5) staff members are working on the ABS activities, four and one half (4.5) funded from the core budget (BY) and four (4) from the voluntary budget (BE) of the Secretariat:

- (a) One P-5 Senior Programme Officer – Nagoya Protocol (BY);
- (b) Fifty percent of one P-4 Programme Officer – Capacity-building (Article 22) (BY);
- (c) One P-3 Programme Officer – Legal (BY);
- (d) Two Programme Assistants (BY);
- (e) One P-3 Programme Officer – Capacity development and awareness raising (Article 21 and Article 22) (BE - Japan);
- (f) One P-3 Programme Officer – ABS Clearing House (Article 14) (BE Switzerland and Japan);
- (g) One P-2 Associate Programme Officer – ABS Clearing-House (Article 14) (BE – European Commission);
- (h) One P-2 Associate Programme Officer – Monitoring and reporting (Article 29) (BE - Spain).

19. With the entry into force of the Protocol, and in order to achieve Aichi Biodiversity Target 16, it is expected that the four staff members currently funded from the Voluntary Trust Fund (BE) will be regularized in the core budget (BY) in the 2015-2016 biennium.

20. In addition to the nine staff members specified above, the Secretariat is requesting that one additional General Service staff be added to the core budget in 2015-2016 in support of the ABS activities and the Nagoya Protocol. The secretariat is also proposing to upgrade the P-2 Associate Programme Officer – Monitoring and reporting to the P-3 level in view of the increased responsibilities under monitoring and reporting once the Protocol comes into force.

21. In summary, four voluntary (BE) professional positions and one additional general service post are being requested as part of the core budget of the Nagoya Protocol (BY Trust Fund). This staffing proposal takes into account the increased activities under the Convention with regards to ABS issues resulting from the coming into force of the Nagoya Protocol.

C. Rationale for staffing requirements

22. **ABS Clearing House (ABS-CH):** The ABS-CH is key to achieving the access and fair and equitable sharing of the benefits arising out of the utilization of genetic resources including for monitoring the compliance provisions. Its central task is to facilitate sharing of information related to ABS, both from the perspective of users and providers, and to help track the movement of genetic resources through check points and internationally recognized certificates of compliance. 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 Cartagena Protocol on Biosafety, and in order to ensure the proper functioning of the ABS Clearing-House in the long run, the Secretariat will need to regularize two professional ABS Clearing House positions (one **P-3 Programme Officer**, one **P-2 Associate Programme Officer**) and one additional **Programme Assistant** at the Secretariat.
23. **P-3 Programme Officer- ABS CH:** Responsible for designing the overall structure and central portal as well as database, storage and search functions of the Clearing-House; developing and implementing interactive electronic training tools to assist users; developing interfaces with partners and countries for defining common formats and controlled vocabulary.
24. **P-2 Associate Programme Officer-ABS-CH:** Responsible for providing information technology support (home page, navigation bar, menu, searching and retrieval of information, helping countries in developing national ABS-CH; electronic dissemination software support; organizing web-based forums and online conferences).
25. **Programme Assistant- ABS-CH:** Responsible for publishing national and reference records, for responding to requests on information and activities, liaison with national focal points, competent national authorities, checkpoints, and others.
26. **P-3 Programme Officer- Monitoring and reporting, assessment and review (Article 31) and compliance (Article 30):** The monitoring and reporting process will be an important tool for promoting the implementation of the Protocol, including the evaluation of the effectiveness of the Protocol. It is expected that once the procedures and mechanisms to promote compliance with the Protocol (Article 30) are adopted, the Secretariat will be required to undertake additional tasks with a view to fulfilling the functions assigned to it in these procedures. Also, to link monitoring and reporting with the ABS CH, this proposed Programme Officer would also support the work of the ABS Clearing-House, particularly on the technical issues related to the development of common formats for the submission of information, including those relevant to monitoring the utilization of genetic resources. Thanks to the generous financial contributions of Spain, the Secretariat was able to hire temporary staff at the P-2 level, however, in order to fulfil the above tasks, it is recommended that the post be regularized and upgraded to the P-3 level.
27. **P-3 Programme Officer – Capacity development and awareness rising.** 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 Global Environment Facility and co-financing from the Japan Fund under a Medium-Sized Project initiated in 2011. Once this project is finalized in March 2014, human 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 regularized P-3 position be established.

28. 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 at this time.

29. 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, one meeting of the Compliance Committee, 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.

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

31. The proposed budgets of the BE Trust Fund in support of additional approved activities, the BZ Trust Fund for facilitating the participation of developing country Parties in the process of the Convention and the VB Trust Fund for facilitating the participation of indigenous and Local Communities are presented in annexes I, II and III respectively.

32. 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	711,400	725,100
NP Bureau meetings (1/year)	35,000	35,000
ABS Clearing-House consultants	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		50,000*
Compliance Committee meeting		30,000
Clearing-House Informal Advisory Committee meetings (1/year)	30,000	30,000
Subtotal	816,400	910,100
Programme support charges (13%)	106,132	118,313
Working Capital Reserve (5%)	97,547	
Total budget (US\$)	1,020,079	1,028,413

* For possible night sessions on NP – COP/MOP-2 concurrent with COP-13 at no additional costs

Table 2. Nagoya Protocol staffing requirements from the core budget

		2015	2016
A.	Professional category		
	P-3	3	3
	P-2	1	1
	Total Professional category	4	4
B.	Total General Service category	1	1
	TOTAL (A + B)	5	5

Table 3. Combined Nagoya Protocol and ABS resource requirements from the core budget (BY Trust Fund)
(United States dollars)

Expenditure	2015	2016
Staff costs	1,349,950	1,375,100
NP Bureau meetings (1/year)	35,000	35,000
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 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		50,000
Compliance Committee meeting		30,000
Clearing-House Informal Advisory Committee meetings (1/year)	30,000	30,000
Subtotal	1,524,950	1,630,100
Programme support charges (13%)	198,244	211,913
Working Capital Reserve (5%)	178,260	
Total budget (US\$)	1,901,454	1,842,013

Table 4. Combined Nagoya Protocol and ABS staffing requirements from the core budget

		2014	2015	2016
A.	Professional category			
	P-5	1	1	1
	P-4	0.5	0.5	0.5
	P-3*	1	4	4
	P-2*	0	1	1
	Total Professional category	2.5	6.5	6.5
B.	Total General Service category	2	3	3
TOTAL (A + B)		4.5	9.5	9.5

* Additionally, 1 P-3 Programme Officer and 1 P-2 Associate Programme Officer for the ABS CH, 1 P-3 capacity-building Programme Officer and one P-2 monitoring and reporting (Article 29) Programme Officer were supported financially in 2014 from voluntary funds.

D. Programme support charges (PSC) and working capital reserve (WCR)

33. 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 67 per cent of these payments to the Convention Secretariat to help cover the costs of the Secretariat's support services.

34. The working capital reserve (WCR) was established by the Conference of the Parties at its sixth meeting to ensure continuity of operations of the Convention's Secretariat in the event of a temporary shortfall of cash where contributions are coming in late and/or to cover for contingent liabilities in case the organization is dissolved. Any drawdowns from the working capital reserve must be restored from contributions as soon as possible. The WCR is established at a level of 5 per cent of the biennial total including programme support costs.

III. ASSUMPTIONS USED IN CALCULATING THE BUDGET

35. 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 activities for the current biennium (2013-2014) 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 actual staff costs for 2013 adjusted for 2 per cent 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;

(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,

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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) One ABS Compliance Committee meeting will be held for three days at the site of the Secretariat;

(f) Five regional capacity-building workshops of three 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

36. Given that the proposed programme budget is only a draft estimate which will be adjusted taking into account the decisions and guidance emanating from the Intergovernmental Committee, the Conference of the Parties as well as any guidance emanating from the ongoing functional review of the Secretariat, it is proposed that in-depth discussions on the quantum of the budget be undertaken at the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol.

37. The Intergovernmental Committee may wish to adopt a recommendation along the following lines:

The Open-ended Ad Hoc Intergovernmental Committee for the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization,

Recognizing that with the coming into force of the Nagoya Protocol, the level of Access and Benefit-Sharing activity under the Convention will significantly increase, and *recognizing* that this increased activity will require additional human and financial resources, also *recognizing* that all Parties to the Convention incur obligations under the third objective of the Convention,

Recommends to the Conference of the Parties serving as the meeting of the Parties to the Protocol, and to the twelfth meeting of the Conference of the Parties to the Convention on Biological Diversity, that for the biennium (2015-2016), the total core cost of the Nagoya Protocol programme of work be borne on an interim basis by the Parties to the Convention.

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>Activities</i>		
	Regional capacity-building/awareness raising workshops (8)	300,000	180,000
	ABS Clearing House training manuals/e-modules	80,000	20,000
	Subtotal	380,000	200,000
II.	Programme support charges (13%)	49,400	26,000
	Total Cost (I + II)	429,400	226,000

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		300,000
	<i>Subtotal I</i>		300,000
II	Programme support charges (13%)		39,000
	Total Cost (I + II)		339,000

Annex III

NAGOYA PROTOCOL REQUIREMENTS FROM THE VOLUNTARY TRUST FUND (VB) FOR FACILITATING PARTICIPATION OF INDIGENOUS AND LOCAL COMMUNITIES IN THE CONVENTION PROCESS FOR THE 2015-2016 BIENNIUM

(in United States dollars)

	Description	2015	2016
I.	<i>Meetings</i>		
	Support to Indigenous and Local communities	50,000	100,000
	<i>Subtotal I</i>	50,000	100,000
II	Programme support charges (13%)	6,500	13,000
	Total Cost (I + II)	56,500	113,000
