



WHO FRAMEWORK CONVENTION
ON TOBACCO CONTROL

Conference of the Parties to the WHO Framework Convention on Tobacco Control

Sixth session
Moscow, Russian Federation, 13–18 October 2014
Provisional agenda item 6.1

FCTC/COP/6/21
15 June 2014

Performance report for the 2012–2013 workplan and budget

1. The workplan and budget for the financial period 2012–2013 was adopted by the Conference of the Parties (COP) at its fourth session (Punta del Este, Uruguay, 15–20 November 2010). An interim performance report on implementation of the workplan and budget was presented to the COP at its fifth session.¹

2. The workplan adopted by the COP is composed of six areas of work, namely: (1) Conference of the Parties; (2) Protocol, guidelines and other instruments for implementation of the Convention; (3) Reporting arrangements under the Convention; (4) Assistance to Parties in implementation of the Convention; (5) Coordination with intergovernmental organizations and bodies; and (6) Administration and management, and other arrangements and activities. This performance report follows the above structure. In addition, it describes the implementation of activities mandated by the COP through various decisions taken at its fifth session that were not directly referred to in the workplan. Finally, the document provides details of financial implementation.

Fifth session of the Conference of the Parties – *accomplished.*

3. The COP was prepared and conducted as planned in Seoul, Republic of Korea, on 12–17 November 2012. Post-session documents, such as the decisions, verbatim records and summary records, were finalized and made available to Parties in early 2013.

4. The Secretariat also provided the necessary support to the work of the Bureau of the COP. Three intersessional meetings were prepared and convened during 2012–2013, one before and two after the fifth session of the COP (in March 2012, and in April and November 2013, respectively), in addition to the in-session work of the Bureau during the COP and several teleconferences to review and follow up on specific matters.

5. The Bureau, which worked under the expanded intersessional mandate approved by the COP,² took decisions and made recommendations on upcoming sessions of the COP, and reviewed and provided guidance to the Secretariat on a number of issues, such as: implementation of the workplan and budget; regional and global developments in implementation of the Convention; several reports

¹ See documents FCTC/COP/5/20 and FCTC/COP/5/20 Add.1 (available, along with all COP decisions and documents, at <http://www.who.int/fctc/publications>).

² Decision FCTC/COP5(20).

that had been requested by the COP; and the observer status of nongovernmental organizations. The Bureau also facilitated the nominations to the expert group on Article 19 (as described in document FCTC/COP/6/8), and addressed the request made by the COP in relation to the application by INTERPOL for observer status (as described in document FCTC/COP/6/4). In addition, the Bureau met in October and November 2013, when acting as the selection panel for the next Head of the Convention Secretariat, and prepared a report for the sixth session of the COP on this matter (document FCTC/COP/6/25).

Protocol, guidelines and other instruments for implementation of the Convention – accomplished.

6. This area includes the work in relation to the Protocol to Eliminate Illicit in Tobacco Products and the intersessional groups established by the COP to develop guidelines and recommendations on various provisions of the Convention.

7. The Secretariat ensured all the necessary organizational, technical and budgetary arrangements to enable the Intergovernmental Negotiating Body (INB) to finalize its work as requested by the COP. The fifth and final session of the INB was convened on 29 March – 4 April 2012 in Geneva, during which the INB agreed on the draft text for the Protocol to Eliminate Illicit Trade in Tobacco Products, which was subsequently submitted to and adopted by the COP at its fifth session. The work undertaken in relation to the Protocol after the fifth session of the COP is described in paragraph 37 and in more detail in document FCTC/COP/6/6.

8. The Secretariat also provided the necessary organizational and technical support to the intersessional working groups mandated by the COP. The activities of the three groups that were included in the workplan – on Article 6 (*Price and tax measures to reduce the demand for tobacco*), Articles 9 and 10 (*Regulation of the contents of tobacco products* and *Regulation of tobacco product disclosures*), and economically sustainable alternatives to tobacco growing (in relation to Articles 17 and 18 of the WHO FCTC) – were prepared and conducted as planned. This included the meetings of the working groups,¹ various meetings and preparatory work of the Key Facilitators of each group, as well as collating and taking into account the feedback received from Parties after the draft reports of the groups had been made available for comments in May–June 2012. All three groups had successfully finished their work by mid-2012 and submitted the reports to be considered by the COP at its fifth session.

9. The COP adopted decisions based on the consideration of reports by the working groups, including the adoption of guiding principles and recommendations on Article 6 and the amendment of the partial guidelines on Articles 9 and 10; the COP also mandated further work for the subsequent intersessional period, which is described in paragraph 38.

10. The expert group on cross-border advertising, promotion and sponsorship, included in the 2012–2013 workplan, was discontinued by the COP at its fifth session owing to the prioritization of the intersessional bodies as agreed at that session.

Reporting arrangements under the Convention – accomplished.

11. The Secretariat received, facilitated and analysed the reports of 120 Parties in the 2012–2013 period, as well as providing feedback to the reporting Parties as relevant. The Secretariat also published the 2012 global progress report based on Parties' implementation reports, as envisaged in the workplan. Consultations on the global progress report with experts were convened online for cost-efficiency reasons.

¹ The working groups met, in Geneva, as follows: working group on Article 6 of the WHO FCTC, 6–8 December 2011; working group on Articles 9 and 10 of the WHO FCTC, 24–26 January 2012; working group on economically sustainable alternatives to tobacco growing, 14–16 February 2012.

12. The WHO FCTC implementation database has been continuously updated and covers all reports of the Parties received since 2007; it is fully searchable by country and by provisions of the Convention. As a further step in this process, the Secretariat is preparing an overarching information platform for the Convention,¹ to cover both Party reports and other relevant sources and to facilitate information exchange between Parties. This work is currently at an advanced stage and is expected to be finalized by September 2014.

13. The Secretariat also organized the provision of support to Parties in fulfilling their reporting obligations. As a cost-efficiency measure, intercountry workshops, in some cases with additional back-to-back training in relation to the respective reporting cycles, were convened as part of the WHO FCTC regional implementation workshops. Technical assistance on reporting matters was also provided to approximately 30 individual Party focal points, upon request, through online meetings as well as in person during various meetings. A new series of training sessions, through webinars, started at the end of 2013 in relation to the 2014 reporting cycle.

14. Other forms of technical assistance for reporting include the Internet-based dedicated platform, with 70 national reporting officers registered, and the development and release of new instruments for the use of the Parties, such as a glossary of terms, the Indicator Compendium, and the set of additional questions in the reporting instrument on the use of guidelines adopted by the COP.

Assistance to Parties in implementing the Convention – *accomplished*²

15. Intercountry workshops and country-specific advice and assistance were identified as the principal vehicles for carrying out the work in this area. The Secretariat also began work on a series of publications to reinforce and sustain assistance and intercountry exchanges.

16. Regional workshops to discuss and promote implementation of the WHO FCTC were conducted in cooperation with the respective host countries and regional offices of WHO. Taking into account the fact that two regional meetings were organized in late 2011,³ the Secretariat prioritized the other regions in organizing regional workshops in 2012–2013. The workshops were organized for the African Region (Dakar, Senegal, October 2012), the South-East Asia Region (New Delhi, India, July 2013) and the Region of the Americas (Bogota, Colombia, September 2013).⁴ In order to ensure efficiency and synergy with regional schedules, two out of the three remaining regional workshops were scheduled and convened in early 2014 (Budapest, Hungary, for the European Region, 18–21 March 2014, and Nadi, Fiji, for the Western Pacific Region, 28–30 April 2014). The outcome documents, agreed by the Parties, are available on the WHO FCTC website. The workshop initially planned for the Eastern Mediterranean Region in December 2013 was postponed to a later date in 2014 at the request of and in coordination with the WHO Regional Office. In addition, the Secretariat participated in the treaty-related agenda items of three regional workshops organized by the respective WHO regional offices.⁵

17. Needs assessments, at the request of and in cooperation with Parties, represent another key component of implementation assistance as outlined in the workplan. The Secretariat covered 21 such assessments during the biennium.⁶ This brought the total number of needs assessments to 31 since late 2009, when the pilot phase started in coordination with the Bureau. Further needs assessments were planned for 2014 based on requests from and initial communication with several Parties.

¹ As part of the European Union-funded project to support implementation of the WHO FCTC.

² One particular task related to post-needs assessment assistance was accomplished partially, as also mentioned in paragraph 48.

³ For the European and Eastern Mediterranean Regions, in October and November 2011, respectively.

⁴ The workshops in the African Region and the Region of the Americas merged two subregional workshops that had initially been planned for each of these regions.

⁵ For the European, Eastern Mediterranean and Western Pacific Regions.

⁶ Afghanistan, Botswana, Burkina Faso, Burundi, Colombia, Cook Islands, Gabon, Gambia, Georgia, Iran (Islamic Republic of), Kyrgyzstan, Marshall Islands, Mauritius, Micronesia (Federated States of), Nepal, Peru, Samoa, Senegal, Sierra Leone, Solomon Islands, and Sri Lanka. This includes three partial assessments to be finalized at the request of the respective Parties.

18. Half of the Parties¹ that undertook joint needs assessments also received post-assessment assistance, in most cases with funding support, to meet the immediate needs that were identified, in particular in: convening multi-stakeholder meetings to strengthen a national coordination mechanism; organizing communication campaigns; accessing the expertise and good practices available in other Parties; and developing national action plans. Implementation of this component will accelerate substantially as a growing number of Parties, following needs assessments, prioritize the needs which they require assistance to meet. The provision of such assistance, based on joint prioritization with and requests made by governments, continued in 2014, with arrangements in place or at the planning stage for a further 13 Parties (with details to be presented in the 2014–2015 interim performance report (document FCTC/COP/6/22)). Post-needs assessment assistance has been provided and/or facilitated by the Convention Secretariat, in cooperation with the respective WHO regional and country offices, as well as with several international partners such as the World Bank, the United Nations Development Programme (UNDP), and the World Lung Foundation.

19. The needs assessments, including post-needs assessment assistance, were made possible thanks to generous extrabudgetary contributions by the European Union and Australia.

20. The Secretariat continued to update and raise awareness of the database of available resources to support implementation of the Convention. Detailed information about the database was provided to the COP at its fifth session and further to the working group on sustainable measures to strengthen implementation of the Convention.²

21. Several aspects of the workplan – such as disseminating and raising awareness of treaty instruments, providing advice on treaty-specific matters, promoting the transfer of expertise and technology, and providing advice and support in integrating treaty implementation into national health and development strategies and plans – were implemented as an integral part of implementation assistance and international cooperation activities. This work is being undertaken in coordination with individual Parties and international partners through regional meetings, needs assessments and post-needs assessment assistance, and by engaging relevant networks and institutions. Most of the issues listed above, along with other treaty matters, are also covered when country-specific advice and assistance are provided on request.

22. Promoting the exchange and transfer of information and expertise between the Parties, as an overarching tool to support them in implementation of the Convention, has become increasingly important. It was undertaken through several mechanisms, including by promoting the transfer of expertise and technology, on request, as envisaged in Article 22 of the Convention. The Secretariat facilitated, on request, the transfer of licence-free pictorial warnings to 12 Parties, and in several other cases promoted, following requests by Parties, exchanges in relation to other instruments, such as national action plans, cessation and treatment guidelines, and communication and advocacy materials. Other mechanisms to support dissemination and exchange of information were the establishment of knowledge hubs and the development of publications as described below.

23. As envisaged in the workplan (and further reinforced in the next, 2014–2015, workplan), the Secretariat began to identify and engage with institutions and networks that can act as hubs in support of the Secretariat's work to facilitate dissemination and exchanges of information under the Convention. Three such collaborative arrangements, in coordination with and following expressions of support by the respective governments, were initiated after the fifth session of the COP, of which two were formalized in 2013 and one in the first half of 2014.³

¹ Bhutan, Colombia, Gambia, Georgia, Ghana, Guatemala, Jordan, Kyrgyzstan, Micronesia (Federated States of), Nepal, Republic of Moldova, Samoa, Sierra Leone and Solomon Islands.

² See documents FCTC/COP/5/15 and FCTC/COP/6/19.

³ With the Union for International Cancer Control, through its McCabe Centre for Law and Cancer (Australia), the National Institute of Health and Welfare, Finland, and the Ministry of Public Health of Uruguay, through its International Cooperation Centre on Tobacco Control, to support information exchange within their expertise, and with a special focus on, respectively, legal challenges to implementation of the WHO FCTC, surveillance and multisectoral coordination, and areas covered by Articles 8, 11 and 14.

24. Finally, the Secretariat initiated a series of publications to reinforce and sustain assistance and intercountry exchanges. Four documents on the best practices deriving from regional workshops had been finalized and posted on the WHO FCTC website by the end of 2013, with further studies, deriving from deliberations at the regional workshops, planned for 2014. In addition, work began on several publications on treaty matters of regional and global importance, some of which had been completed by the end of 2013; seven publications had been posted on the WHO FCTC website by the time of writing of this report (early June 2014); two others were at an advanced stage, to be finalized and posted by the time of the sixth session of the COP.

Coordination with intergovernmental organizations and other bodies – *accomplished*¹

25. The work in this area included preparing and convening, with WHO, two meetings of the United Nations Ad Hoc Interagency Task Force on Tobacco Control (February 2012 and March 2013), as well as participating in and contributing to the first meeting² of the recently formed United Nations Interagency Task Force on the Prevention and Control of Noncommunicable Diseases, which builds upon and replaces the Ad Hoc Interagency Task Force on Tobacco Control.

26. The work also included operationalization of the recommendations contained in the United Nations Secretary-General's report and the United Nations Economic and Social Council resolution³ concerning interagency collaboration on implementation of the Convention, particularly with the United Nations Conference on Trade and Development (UNCTAD), UNDP and the World Bank. The collaboration included the continued involvement of these agencies in needs assessments, intercountry workshops, preparation of technical reports, and provision of post-needs assessment support (including the integration of WHO FCTC implementation into United Nations Development Assistance Frameworks (UNDAFs)). In 2013, cooperation also started with the International Agency for Research on Cancer in relation to work on smokeless tobacco, and with the World Customs Organization and the United Nations Office on Drugs and Crime in relation to the Protocol to Eliminate Illicit Trade in Tobacco Products. Cooperation with the Food and Agriculture Organization of the United Nations was initiated in early 2012 in relation to the working group on economically sustainable alternatives to tobacco growing and continued in relation to the renewed mandate of that working group.

27. The work related to integration of WHO FCTC implementation into UNDAFs, envisaged in the workplan, is in progress. Such integration is being promoted in coordination with UNDP (the lead agency and development partner in this respect) in most Parties in which needs assessments have been carried out. One recent example is the inclusion of support to implementation of the WHO FCTC in the current (2013–2017) UNDAF covering the Pacific island countries.

28. The workplan also included activities to promote South–South and triangular cooperation for implementation of the Convention. The expert meeting in this area was convened in mid-2012, with the outcome and recommendations reported to the COP at its fifth session. The demonstration projects proposed by the Secretariat were consolidated into five areas through decision FCTC/COP5(13) and were also reflected in the workplan and budget for 2014–2015. One project (pictorial health warnings for Africa) was close to conclusion at the time of finalization of this report, and three others were at different stages of preparation, with the aim being to start before the sixth session of the COP.

29. More details concerning international cooperation, including South–South cooperation, are contained in the report of the Secretariat covering this area of work (document FCTC/COP/6/18).

¹ One particular task related to South–South cooperation projects, was accomplished partially, as also mentioned in paragraph 48.

² Geneva, 2–3 October 2013.

³ Document E/2012/70 and resolution E/2012/L.18.

Tasks related to administration and management – *accomplished*

30. The Secretariat's workplan and administrative arrangements are now fully integrated, and customized, when necessary, within WHO's global management system. Work on the workplan and budget for the financial period 2014–2015 and its submission to the COP, along with the submission of full and interim progress reports for, respectively, the 2010–2011 and 2012–2013 workplans and budgets, were accomplished as planned.

31. As envisaged in the workplan for 2012–2013, the Secretariat published and disseminated the principal treaty documents, such as the decisions and official records of the fifth session of the COP, the amended set of guidelines and the global progress report on implementation of the Convention, as well as the Protocol to Eliminate Illicit Trade in Tobacco Products. Other publications included global and regional studies and best practices, as described in the implementation assistance section above. The Secretariat also continued to publish its newsletter (three issues per year) and maintained and updated the WHO FCTC website with information relating to treaty work globally and in countries.

32. The workplan also envisages progress on resource mobilization. The collection of voluntary assessed contributions (VAC) for 2012–2013 was 94.7% as at 31 December 2013. Some of the arrears from previous bienniums were also collected, as described in the financial implementation section of this report (see paragraph 53). The Secretariat sent further reminders in 2013 to Parties that were in arrears for the previous and current bienniums, and continues the follow-up to facilitate payments.

33. The Secretariat also continued the mobilization of extrabudgetary resources. This is described in more detail in paragraph 54.

34. Concerning tasks related to advocacy and communication, the Secretariat provided regular updates to the permanent missions in Geneva and to the authorities in capitals on treaty activities, through letters and notes verbales. Three briefings were organized for the permanent missions in Geneva. Presentations were delivered to several professional and high-level policy meetings, including at global health conferences and ministerial-level meetings, on the work of the Convention and the Protocol. However, the visibility of the Convention in international forums could have been further promoted had resources been available for a permanent communication staff member in the Secretariat.

Other work not initially envisaged in the 2012–2013 workplan

35. The COP adopted several decisions at its fifth session that required additional activities to be put in place in 2013, in addition to those included in the 2012–2013 workplan. One group of decisions included the preparations for the sixth session of the COP, the work to support the entry into force of the newly adopted Protocol, and starting the work required in relation to intersessional bodies mandated by the COP at its fifth session. Other decisions concerned reporting arrangements, implementation assistance, international cooperation, budgetary and efficiency measures, institutional matters, and technical reports for consideration at the sixth session of the COP.

36. Preparatory work for the sixth session of the COP, in line with decision FCTC/COP5(24), commenced as planned. The first preparatory visit of the Secretariat to Moscow took place in January 2013; the Bureau subsequently reviewed and endorsed the proposed dates and venue at its first meeting in April 2013. The host agreement with the Government of the Russian Federation was signed on 22 October, followed by the second visit of a Secretariat team to Moscow in December 2013 to further review and coordinate the organizational details. The preparatory work continued in 2014 as described in the interim performance report for the 2014–2015 workplan and budget (document FCTC/COP/6/22).

37. One important area concerns promotion and preparation for entry into force of the Protocol to Eliminate Illicit Trade in Tobacco Products (as part of decision FCTC/COP5(16)). Apart from

general awareness-raising, these activities included enhancing cooperation with international partners, promoting multisectoral cooperation, developing and disseminating instruments to promote Protocol ratification, and providing technical and legal assistance. This work is described in detail in document FCTC/COP/6/6.

38. Another block of activities not initially included in the 2012–2013 workplan is the work of the five intersessional bodies mandated by the COP at its fifth session (decisions FCTC/COP5(6–9) and FCTC/COP5(14)), that required substantial initial work in 2013 to meet the timelines established by the COP. In particular, the meeting of the open-ended intersessional drafting group on Article 6, and the first meetings of the expert group on Article 19 and the working group on sustainable measures to strengthen implementation of the Convention were prepared and convened in 2013,¹ which became possible thanks to the generous extrabudgetary contributions of Australia.² The Secretariat also supported the work that started in the second half of 2013 in relation to the renewed mandates of the working groups on Articles 9 and 10 and Articles 17 and 18; it included the work of the Key Facilitators and other preparatory work in the lead up to the meetings of the groups that took place in early 2014, including the expert meeting organized by the Government of Brazil to promote the work of the working group on Articles 17 and 18³ and the meeting of the Key Facilitators of the working group on Articles 9 and 10.⁴

39. All five intersessional bodies continued and finalized their work by June 2014 (see also the interim performance report for the 2014–2015 workplan and budget in document FCTC/COP/6/22), with submission of their reports to the COP at its sixth session as planned (documents FCTC/COP/6/7, FCTC/COP/6/8, FCTC/COP/6/12, FCTC/COP/6/13 and FCTC/COP/6/19).

40. With regard to reports on product regulation, smokeless tobacco and electronic nicotine delivery systems (decisions FCTC/COP5(6) and FCTC/COP5(10)), the Secretariat invited WHO to prepare those reports as requested by the COP, with submission to the COP at its sixth session as planned (documents FCTC/COP/6/9, FCTC/COP/6/10 and FCTC/COP/6/14).

41. Measures requested by the COP in the area of reporting arrangements (decision FCTC/COP5(11)), concerning reporting of the use by Parties of the implementation guidelines adopted by the COP and of the Indicator Compendium, were accomplished and made available in 2013 for the use of the Parties in the 2014 reporting cycle (and beyond). With regard to the other measures stipulated in that decision: Parties were requested to designate a technical focal point responsible, *inter alia*, for reporting; a regularly updated list of submitted reports has been published on the WHO FCTC website; accumulation of overdue reports was addressed by requesting Parties that have missed a report to include the missing information in the next regular report; and a questionnaire was sent to concerned Parties on the reasons for non-reporting to understand better the potential challenges faced in this area (the information obtained is reflected in document FCTC/COP/6/5). Finally, the Secretariat developed and submitted for the consideration of the COP at its sixth session recommendations on the establishment of a mechanism to facilitate the review of Parties' reports by the COP (document FCTC/COP/6/17).

42. With regard to the request made by the COP to prepare a Secretariat report on options for conducting an impact assessment of the WHO FCTC for consideration at the sixth session of the COP (decision FCTC/COP5(12)), the Secretariat convened a consultation with prominent international experts in various relevant fields on preparing the report. A meeting of a small group of experts was organized on 7–8 November in Helsinki, kindly hosted and supported by the National

¹ The dates of the meetings were as follows: open-ended intersessional drafting group on Article 6, 3–6 June 2014; expert group on Article 19, 23–25 October 2013; and the working group on sustainable measures to strengthen implementation of the Convention, 29–31 October 2013.

² The second meetings of the expert group on Article 19 and the working group on sustainable measures convened in early 2014 were covered by, respectively, the regular budget of 2014–2015 and by extrabudgetary contributions from the European Union and Australia.

³ Pelotas, Brazil, 1–3 October 2013.

⁴ On the occasion of the seventh meeting of the WHO Study Group on Tobacco Product Regulation, Rio de Janeiro, Brazil, 4–6 December 2013.

Institute for Health and Welfare of Finland. Consultations have also taken place with other experts online and in-house, and the report to be submitted to the COP was finalized (document FCTC/COP/6/15).

43. The work on international cooperation, including South–South cooperation, as envisaged in decisions FCTC/COP5(13) and FCTC/COP5(14),¹ started in 2013 and continued in 2014, and is described in detail in document FCTC/COP/6/18).

44. The work conducted in relation to the decision of the COP to facilitate international collaboration on trade- and investment-related tobacco control issues (decision FCTC/COP5(15)), is described in document FCTC/COP/6/20.

45. The reports requested by the COP with regard to arrears in the payment of assessed contributions and the travel support available to Parties (decisions FCTC/COP5(17) and FCTC/COP5(18)), are presented in documents, FCTC/COP/6/23 and FCTC/COP/6/INF.DOC./2, respectively. In addition, and as requested in paragraph 4.(1) of the latter decision, the Secretariat sought and provided extrabudgetary funds for the per diem for low- and lower-middle-income countries, which were kindly made available by the Russian Federation and Australia as part of their extrabudgetary contributions in support of, respectively, the work of the sixth session of the COP and the intersessional bodies mandated by the COP at its fifth session.

46. The Secretariat also implemented the request contained in decision FCTC/COP5(20)² concerning key information related to the work of the Bureau. The Secretariat, in particular, made available to Parties the agendas, working papers and summary records of the meetings of the Bureau as requested in that decision. Other work concerning the work of the Bureau in line with the above decision is presented in paragraphs 4–5 of this report. The work carried out to implement other decisions on institutional matters, specifically decision FCTC/COP5(21) concerning the appointment and renewal of the term of office of the Head of the Convention Secretariat and decision FCTC/COP5(22) concerning the accreditation of nongovernmental organizations as observers to the COP, is described in documents FCTC/COP/6/25 and FCTC/COP/6/26, respectively.

47. Finally, at its fifth session the COP agreed on a set of efficiency measures to streamline the work of the Secretariat and that of the COP and to reduce costs related to the distribution of documentation, the production of official records and official communication with the Parties (as part of decision FCTC/COP5(19)). With regard to the last-mentioned issue, the Secretariat invited the Parties to verify and amend, as appropriate, the list of addresses currently used by the Secretariat for its official communications. Based on the feedback received from the Parties, the Secretariat updated, in early 2014, its database of official contacts and included enhanced tools for communication with the Parties in the ongoing development of the information platform. The other efficiency measures adopted by the COP, concerning documentation and reports of the COP sessions, were implemented in the preparatory work for the sixth session of the COP.

Summary

48. Overall, 14 out of 17 tasks identified in the workplan, related to the convening of the fifth session of the COP, the work of the INB and the three working groups established by the COP, as well those related to reporting arrangements, promotion of information exchange and international cooperation, and general management were fully accomplished. The two tasks related to needs assessments, particularly in relation to post-needs assessment assistance, as well as South–South cooperation projects, were partially accomplished, owing to the fact that the time required for coordination with governments and partners in those areas was more than initially expected; implementation of both tasks accelerated close to the end of 2013 and continued in 2014, which will be reflected in the interim progress report for the current biennium (document FCTC/COP/6/22). The task of convening the expert group on cross-border advertising, promotion and sponsorship was

¹ Specifically in paragraphs 2 of those decisions.

² Specifically in paragraph 4 of that decision.

discontinued owing to the prioritization of intersessional bodies as agreed by the COP at its fifth session.

49. In addition, and as shown in paragraphs 35–47, the Secretariat operationalized several tasks identified in the decisions taken by the COP at its fifth session that were not contained in the 2012–2013 workplan adopted by the preceding session of the COP and that required initial or substantial action in 2013, before the start of the 2014–2015 biennium, in order to meet the timelines established by the COP. This work covered a number of tasks deriving from the majority of the substantive decisions adopted in that session. Four of those tasks were accomplished by the end of 2013,¹ and another 10 by June 2014,² with five others still in progress,³ for which the COP will be informed through the interim performance report 2014–2015.

50. More details on the above activities are presented in the relevant reports submitted to the sixth session of the COP, as referred to in the respective sections.

Financial implementation

51. The budget approved by the COP at its fourth session was US\$ 14 902 000 (of which VAC accounted for US\$ 9 107 000). This amount, however, should be adjusted by US\$ 1 188 000, the amount that was identified as the extrabudgetary component of funds necessary for convening the fifth session of the INB⁴ and which was met by the in-kind contribution of the European Union (by covering the travel and conference service costs of the session). In addition, an amount of US\$ 1 000 065 was the additional cost to the Secretariat for holding the fifth session of the COP in Seoul, Republic of Korea,⁵ bringing the total actual funding needs for the biennial workplan to US\$ 14 714 065.

52. The total available funds as at 31 December 2013 amounted to US\$ 12 887 464, including the total revenue of US\$ 13 814 403 and an opening balance of US\$ 5461, with a deduction of the unpaid VAC of preceding bienniums (in the amount of US\$ 387 897), contingency for non-payment of VAC for the 2012–2013 biennium (in the amount of US\$ 274 503) and the repayment of a loan to WHO for the advance of administrative services received in the previous biennium (in the amount of US\$ 270 000), as shown in Table 2 of Annex 1.

53. The actual payment by Parties of VAC for 2012–2013 by 31 December 2013 amounted to US\$ 8 669 230, which is 94.7% of the total approved VAC – approximately at the same level (94.5%) registered at the closure of the previous (2010–2011) financial period. Despite the relatively high rate of collection of VAC as regards the amount paid, the number of Parties that have arrears remains significant. Fifty-five Parties have not paid their VAC for the 2012–2013 financial period, and of those that paid (121), 19 made partial contributions, as also shown in Table 3 of Annex 1. Payments in the amount of US\$ 460 740 were also made against the arrears of previous financial periods, bringing the total amount of unpaid VAC for 2006–2011 to US\$ 387 897, down from US\$ 848 637 at

¹ Concerning the work on Article 6, measures on reflecting the implementation of guidelines in the reporting instrument and other measures on reporting expected by the start of the 2014 reporting cycle, and ensuring access to Bureau materials for Parties.

² Concerning intersessional groups on Articles 9 and 10, Articles 17 and 18, Article 19, and on sustainable measures, as well as the reports requested on impact assessment, the mechanism to facilitate the review of Parties' reports, voluntary assessed contributions, accreditation of NGOs as observers, as well as measures requested to improve communication with Parties and other efficiency measures as adopted by the COP.

³ Concerning the preparatory work for COP6, the work to promote the entry into force of the Protocol, the work in the area of South–South cooperation and on trade- and investment-related tobacco control issues, as well as the report requested on previous travel support to Parties.

⁴ 29 March – 4 April 2012.

⁵ This cost, covered by the host country, was initially identified as being US\$ 1 151 779, as shown in the 2012–2013 interim performance report submitted to the COP at its fifth session; at the request of the Secretariat, the Government of the Republic of Korea kindly re-assigned the savings in the amount of US\$ 151 714 to the unfunded work concerning preparation of entry into force of the Protocol to Eliminate Illicit Trade in Tobacco Products.

the start of the biennium (1 January 2012). The VAC not paid by the Parties (both for the 2006–2011 and 2012–2013 financial periods, in the total amount of US\$ 868 769), will become available to the Secretariat only when actually paid.

54. Extrabudgetary contributions amounted to US\$ 4 664 301, or 33.7% of total revenue. This included, as also shown in Table 2 of Annex 1, the contribution of the European Union to support implementation of the Convention under the grant signed at the end of 2011 (US\$ 1 922 178¹), the contribution of Republic of Korea to cover the costs of hosting the fifth session of the COP and preparing the entry into force of the Protocol to Eliminate Illicit Trade in Tobacco Products (US\$ 1 151 779), Australia's contribution to support the work of intersessional bodies, implementation assistance, the work of the Protocol and short-term staff costs (US\$ 1 189 003), the Netherlands' contribution to cover a secondment to the Secretariat in 2012 (US\$ 324 461), funds provided by Finland to support the work with regard to impact assessment (US\$ 50 000), and Canada's contribution to support the work on trade-related aspects of implementation of the Convention (US\$ 26 880). In addition, an in-kind contribution totalling €655 599 was provided by the European Union (by covering travel and conference services costs) for the convening of the fifth session of the INB.

55. Expenditure came to a total of US\$ 11 386 406, including staff costs of US\$ 5 957 565 (or 52% of total expenditure), activity costs of US\$ 4 179 074, and programme support costs (payable to WHO) of US\$ 1 249 767, as shown in Table 4.1 of Annex 1.

56. The largest share of activity costs (45%) are attributed to preparing and convening the fifth session of the COP, followed by assistance to Parties and international cooperation (24%), the work in relation to the Protocol and guidelines (22%), and management and administration and reporting arrangements (6% and 3% respectively).

57. When reviewed by types of expenditure and services, the highest costs are associated with interpretation services and travel support to Parties constituting, respectively, approximately 20% and 16% of total expenditure, followed by documentation costs constituting approximately 10% of total expenditure. It is also noteworthy that some substantial costs, such as the travel of the Secretariat staff and interpreters in relation to the fifth session of the COP, approximately US\$ 500 000 (or 23% of all travel costs), were covered by the additional funds provided by the host country as those costs are incurred when COP sessions are held outside Geneva.

58. Annex 1 presents more details on financial implementation. The tables include information on overall implementation; distribution of available funds; status of payment of VAC; distribution of expenditure, by staff costs, activities and programme support costs; and a detailed distribution of activity costs, both by type of activity and by workplan and budget lines.

59. A certified statement of income and expenditure issued by WHO's Chief Finance is attached as Annex 2. The figures in the attached statement of income and expenditure for the period 1 January 2012 to 31 December 2013 are incorporated into WHO's financial statements on which the External Auditor has issued an unqualified opinion.

¹ The first tranche of the EU grant to support implementation of the Convention.

ANNEX 1

FINANCIAL IMPLEMENTATION 2012–2013

Table 1. Overall implementation (US\$)

Total available funds	12 887 464¹
Expenditure	11 386 406
Balance	1 501 058 ²

Table 2. Distribution of available funds (US\$)

Opening balance (1 January 2012)	5 461
Revenue	
- Voluntary assessed contributions 2012–2013 ³	9 150 102
- Additional contributions received ⁴	4 664 301
Total revenue	13 814 403
Less: 2006–2011 VAC receivables	(387 897)
Less: Contingency for non-payment of VAC 2012–2013 ⁵	(274 503)
Less: Repayment of loan to WHO	(270 000)
Total available funds	12 887 464

Table 3. Payment of voluntary assessed contributions (VAC) for the financial period 2012–2013 (US\$), as at 31 December 2013

Number of Parties	Parties that had made payment ⁶	Parties that had not made payment	VAC 2012–2013		
			Total	Paid	Outstanding
176	121	55	9 150 102	8 669 230	480 872

¹ Adjusted by WHO financial services in line with the new international accounting standards to include extrabudgetary funds only when actually received.

² Of which US\$ 403 841 were encumbrances (financial commitments made) for activities pending finalization in 2014.

³ Includes VAC of countries (US\$ 43 115) for which the Convention entered into force after COP4 (15–20 November 2010). US\$ 13 is adjusted due to rounding.

⁴ Extrabudgetary contributions from Australia (US\$ 1 189 003), Canada (US\$ 26 880), European Union (US\$ 1 922 178), Netherlands (US\$ 324 461), Republic of Korea (US\$ 1 151 779) and Finland (US\$ 50 000).

⁵ 3% of the total 2012–2013 VAC.

⁶ Of the 121 Parties that had paid their VAC, 19 Parties had made partial payment.

Table 4. Distribution of expenditure**4.1 Overall distribution of expenditure (US\$)**

Staff costs	5 957 565
– Salary costs (without post occupancy charge)	5 487 149
– Post occupancy charge	470 416
Activities (details in Tables 4.2 – 4.4)	4 179 074
Programme support costs (payable to WHO)	1 249 767
– On voluntary assessed contributions	936 624
– On extrabudgetary funds	313 143
Total	11 386 406

4.2 Distribution of activity costs by 2012–2013 workplan budget lines (US\$)

1. Conference of the Parties	1 873 697
– Fifth session of the COP	1 756 912
– Work of the Bureau of the COP	116 785
2. Protocol, guidelines and other implementation instruments	918 539
Protocol to Eliminate Illicit Trade in Tobacco Products	
– Intergovernmental Negotiating Body ¹	456 832
– Activities to prepare entry into force	21 334
Intersessional groups mandated by the COP	
– Included in the 2012-13 workplan	131 688 ³
– Mandated by COP5 in addition to the 2012-13 workplan ²	308 685
3. Reporting arrangements under the Convention	134 383
4. Assistance to Parties in implementation of the Convention	892 501
5. Coordination with international organizations and bodies	122 420
6. Management and administration	237 534
Total	4 179 074

¹ In addition, travel and conference services costs of the INB were covered by the in-kind contribution of the European Union, totalling €665 559

² The meeting of the open-ended drafting group on Article 6, the first meeting of the expert group on Article 19, and the first meeting of the working group sustainable measures to strengthen implementation of the WHO FCTC, all convened in 2013.

³ The amount is net of US\$ 140 607, which was spent for the meeting of the working group on Article 6 convened in December 2011 in order to meet the deadline for the development of guidelines established by the COP.

4.3 Distribution of activity costs by type of activity (US\$)

Travel	2 220 602
– <i>Representatives of Parties</i>	664 047
– <i>Interpreters¹</i>	364 165
– <i>Temporary advisers</i>	246 336
– <i>Translators/revisers</i>	35 945
– <i>Meetings of the Bureau</i>	96 218
– <i>WHO support services for COP5</i>	143 721
– <i>Convention Secretariat</i>	
– <i>Implementation assistance to Parties</i>	344 589
– <i>Participation in COP5</i>	150 509
– <i>Other</i>	175 072
Supplementary staff costs²	791 484
– <i>Interpreters</i>	464 983
– <i>Translators</i>	193 510
– <i>Conference staff</i>	29 986
– <i>Overtime</i>	103 005
General operating costs	461 849
– <i>Logistics</i>	221 040
– <i>Translation of documents</i>	120 000
– <i>Printing and publishing</i>	97 965
– <i>Mail, despatch and web services</i>	37 356
– <i>Bank charges</i>	215
– <i>Adjustment of prior years</i>	(14 727)
Contractual services	593 782
Direct finance cooperation	72 026
Telecommunications	33 068
Equipment	4 204
Training	2 059
Total	4 179 074

¹ Travel of interpreters to COP5 (Seoul, Republic of Korea).

² Including post occupancy charges of US\$ 78 366.

Table 4.4 Distribution of activity costs by type of activities and workplan budget lines (US\$)

	Travel	Supplementary staff costs	General operating costs	Contractual services	Telecommunications	Equipment	Training	Direct finance cooperation	Total
Conference of the Parties	1 048 614	544 861	59 511	220 711	–	–	–	–	1 873 697
Protocol, guidelines and other implementation instruments	347 479	181 131	327 537	62 189	203	–	–	–	918 539
Protocol to Eliminate Illicit Trade in Tobacco Products - Intergov. Negotiating Body - Preparing entry into force	70 215 14 867	50 815	302 268 785	33 534 5 479	203	–	–	–	456 832 ¹ 21 334
Intersessional groups mandated by the COP - Included in 2012-13 workplan - Mandated by COP in addition to 2012-13 workplan	59 697 202 700	50 329 79 987	9 942 14 542	11 720 11 456	–	–	–	–	131 688 308 685
Reporting arrangements under the Convention	25 870	29 986	2 643	75 884	–	–	–	–	134 383
Assistance to Parties in implementation of the Convention	630 780	11 384	40 631	128 823	6 798	–	2 059	72 026	892 501
Coordination with international organizations and bodies	93 781	9 390	3 588	15 661	–	–	–	–	122 420
Management and administration	74 078	14 732	27 939	90 514	26 067	4 204	–	–	237 534
Total	2 220 602	791 484	461 849	593 782	33 068	4 204	2 059	72 026	4 179 074

¹ In addition, travel and conference services costs of the INB were covered by the in-kind contribution of the European Union, totalling €665 559.

ANNEX 2

**SECRETARIAT OF THE WHO FRAMEWORK
CONVENTION ON TOBACCO CONTROL (FCTC)**

Statement of Income and Expenditure for the period 1 January 2012 to 31 December 2013
(expressed in US dollars)

Opening Balance 01 January 2012		5,461
Revenue		
Voluntary Assessed Contributions (VAC) 2012-2013	9,150,102	
Voluntary Contributions	6,726,466	
Less: Repayment of Loan to WHO	(270,000)	
	<u> </u>	<u>15,606,568</u>
Total Available Funds		15,612,029
 Expense (Details attached)		
2012-2013		<u>11,386,406</u>
		4,225,623
Add: Revenue to be recognized in future periods for the EC award		2,734,002
Less amounts receivable:		
Receivable from EU award		(4,796,168)
Receivable from VAC prior biennia (2006-2011)		(387,897)
Contingency for non-payment of VAC for 2012-13 (3% of 9,150,102)		<u>(274,503)</u>
Funds available at 31 December 2013		1,501,057

I certify that the above statement reflects correctly the revenue and expenditure recorded in the WHO Global Accounting System.



Jane Stewart
Chief Finance

2 July 2014



**Expenditure details of Secretariat of the WHO Framework Convention on Tobacco Control for
the period 1 January 2012 to 31 December 2013**

Sum of Expense	
Expense Type	Total (USD)
Staff Costs: LT	5,876,381
Staff Costs: ST	81,184
Staff Costs: Supplementary	791,484
Direct Financial Cooperation	72,026
Contractual Services	593,782
Equipment, Vehicles, Furniture	4,204
Training	2,059
Travel	2,220,602
General Operating Costs	476,361
Telecommunications	33,068
Project Support Cost	1,249,767
Finance Costs	215
Adjustment of prior years	(14,727)
Total	11,386,406

Framework Convention on Tobacco Control Award Balances as at 31 December 2013

Award Number	Donor	Balance (USD)	DEFERRED REVENUE	AMOUNT RECEIVABLE	Fund Available
58853	FCTC 2012-13 VAC	674,928		(662,400)	12,528
58442	AUSTRALIA	14,439			14,439
60921	AUSTRALIA	507,628			507,628
59895	AUSTRALIA	134,463			134,463
59072	EUROPEAID	2,738,112	(2,062,166)		675,946
59609	REPUBLIC OF KOREA	137,951			137,951
61461	FINLAND	18,103			18,103
Total		4,225,623	(2,062,166)	(662,400)	1,501,057

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