



Proposed Workplan and Budget for the financial period 2026–2027

Explanatory note

Purpose of the document

This report describes the structure of the proposed Workplan and Budget for the financial period 2026–2027 and the distribution of activities to be funded by Assessed Contributions and Extra-budgetary Contributions, and explains the rationale and assumptions made in calculating activity costs.

Action by the Meeting of the Parties

The MOP is invited to note the additional information contained in the present report when considering for adoption the proposed Workplan and Budget for the financial period 2026–2027.

Contribution to the Sustainable Development Goals (SDGs): All SDGs; in particular SDG 3 and Target 3.a, as well as SDG 16.

Link to Workplan and Budget item: None.

Additional financial implications if not included in the Workplan and Budget: None.

Related document(s): FCTC/MOP/4/12, Proposed Workplan and Budget for the financial period 2026–2027.

Background

1. The present document is an explanatory note for the proposed Workplan and Budget for the financial period 2026–2027 as presented in document FCTC/MOP/4/12 for the consideration of the Meeting of the Parties (MOP) to the Protocol to Eliminate Illicit Trade in Tobacco Products. The proposed 2026–2027 Workplan and Budget is aligned with the Strategy for mechanisms of assistance and mobilization of financial resources to support the implementation of the Protocol to Eliminate Illicit Trade in Tobacco Products, adopted by the MOP in decision FCTC/MOP2(11), and is structured according to three strategic goals and two operational goals, which are further divided into 12 corresponding objectives and activities.
2. Annex 1 of document FCTC/MOP/4/12 contains the estimate of costs related to activities undertaken in relation to the Protocol, categorized according to goals, objectives, activities and sources of funding. The budget figures corresponding to different lines of the workplan indicate the estimates of the cost of specific activities, and the columns of the workplan indicate the source of funding: Assessed Contributions (AC) and/or Extra-budgetary Contributions (EB).
3. Annex 2 of document FCTC/MOP/4/12 presents a breakdown of staff costs.
4. As in previous years, the budget will be based on AC, according to the scale of assessment adopted by the MOP, and on EB that the Convention Secretariat would be mandated to mobilize.

Activities

5. The total proposed budget for the activities in the 2026–2027 financial period is US\$ 3 022 122.
6. The following tables show the distribution of the costs by source of funding.

| Covered by AC | |
|--|-------------|
| Objective | Cost (US\$) |
| 1.1 Undertaking Party situation analyses | 0 |
| 1.2 Linking illicit tobacco trade to the 2030 Agenda for Sustainable Development | 0 |
| 1.3 Generating research | 0 |
| 2.1 Building capacity and providing technical assistance | 50 000 |
| 2.2 Encouraging multisectoral action | 0 |
| 2.3 Mobilizing support from intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs) | 0 |
| 2.4 Supporting Parties to secure financial assistance for Protocol implementation | 0 |
| 3.1 Facilitating regional and international cooperation | 75 000 |
| 3.2 Utilizing the Protocol to promote the rule of law and sharing best practices in controlling other forms of illicit trade | 0 |

| Covered by AC | |
|---|----------------|
| Objective | Cost (US\$) |
| 4.1 Providing for the optimal operation of the MOP, the Bureau of the MOP, and working groups or expert groups established by the MOP | 420 000 |
| 5.1 Providing adequate staff and financial management | 16 122 |
| 5.2 Mobilizing resources to support the implementation of the Protocol | 5 000 |
| Total cost of activities to be covered by AC | 566 122 |

| Covered by EB | |
|---|------------------|
| Objective | Cost (US\$) |
| 1.1 Undertaking Party situation analyses | 505 000 |
| 1.2 Linking illicit tobacco trade to the 2030 Agenda for Sustainable Development | 200 000 |
| 1.3 Generating research | 10 000 |
| 2.1 Building capacity and providing technical assistance | 500 000 |
| 2.2 Encouraging multisectoral action | 50 000 |
| 2.3 Mobilizing support from intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs) | 44 000 |
| 2.4 Supporting Parties to secure financial assistance for Protocol implementation | 30 000 |
| 3.1 Facilitating regional and international cooperation | 275 000 |
| 3.2 Utilizing the Protocol to promote the rule of law and sharing best practices in controlling other forms of illicit trade | 70 000 |
| 4.1 Providing for the optimal operation of the MOP, the Bureau of the MOP, and working groups or expert groups established by the MOP | 752 000 |
| 5.1 Providing adequate staff and financial management | 5 000 |
| 5.2 Mobilizing resources to support the implementation of the Protocol | 15 000 |
| Total cost of activities to be covered by EB | 2 456 000 |

7. Measures outlined in the workplan are intended to support implementation of various articles of the Protocol and to encourage more Parties to the WHO Framework Convention on Tobacco Control (WHO FCTC) to become Parties to the Protocol.

8. The tables below provide more information on the proposed activities and the rationale for calculating the budget.

| | | |
|--|---|---|
| 1 | Strategic Goal 1. Understanding the problem and context of illicit trade in tobacco products | |
| | Details of activity | Budget rationale |
| 1.1 | Strategic Objective 1.1 Undertaking Party situation analyses | |
| 1.1.1 | Run the 2027 reporting cycle <i>Requesting, receiving, analysing and providing feedback to reporting Parties; identifying trends and areas of lower implementation rates for the Protocol that require special attention</i> | Costs are related to editing and translating amendments to the reporting instrument and other relevant documents into the United Nations languages and additional short-term analytical capacity in the Convention Secretariat for data analysis. |
| 1.1.2 | Regularly update the Protocol implementation database <i>Uploading reports, relevant documents and implementation news received from the Parties and other stakeholders (for example, observers) in the database</i> | Information technology costs are related to the maintenance and improvement of the database. |
| 1.1.3 | Produce the 2027 Global Progress Report <i>Developing a report on the global progress of implementation of the Protocol, underlining the achievements and challenges for Parties</i> | Costs are related to underlying analysis, preparation, editing and design of the report. |
| 1.1.4 | Organize training or webinars on reporting <i>Capacity-building workshops to further strengthen the capacity of Parties to report</i> | Costs are related to simultaneous interpretation. |
| 1.1.5 | Assist Parties to undertake needs assessments with regard to the implementation of the Protocol, and develop country-focused action plans <i>At least 10 Parties supported upon request to assess their needs, develop an action plan and progress on immediate priorities</i> | Each project is budgeted at US\$ 40 000. Costs might include hiring experts, interpretation, travel support, per diem, venue and other local costs. Depending on the request and needs expressed, the cost may vary. |
| 1.2 | Strategic Objective 1.2 Linking illicit tobacco trade to the 2030 Agenda for Sustainable Development | |
| 1.2.1 | Pilot the methodology for conducting investment cases relating to Protocol implementation <i>Investment cases calculating the number of lives saved and economic benefits achieved with the implementation of the Protocol</i> | Based on the costs of the WHO FCTC investment cases, each pilot is budgeted at US\$ 40 000. The budget might be adjusted when the methodology is finalized. |
| 1.3 | Strategic Objective 1.3 Generating research | |
| 1.3.1 | Organize a meeting of international IGOs to identify what research they have undertaken in the field of illicit tobacco trade and assist in making relevant evidence available to Parties <i>One meeting organized to ensure that all the work being done by IGOs in this area could be identified and disseminated to Parties</i> | It is anticipated that this meeting will be conducted virtually; however, a small budget has been allocated for potential costs related to interpretation, venue and other local expenses. |
| Total activity costs for Goal 1 | | US\$ 715 000 |

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| 2 | Strategic Goal 2. Full and sustainable implementation of the Protocol | |
| | Details of activity | Budget rationale |
| 2.1 | Strategic Objective 2.1 Building capacity and providing technical assistance | |
| 2.1.1 | Assist countries eligible to receive official development assistance in the implementation of national/regional tracking and tracing systems <i>At least 20 Parties supported in the implementation of tracking and tracing systems for tobacco products</i> | Each project is budgeted at US\$ 10 000. Costs might include hiring experts, interpretation, travel support, per diem, venue and other local costs. Depending on the request and needs expressed, the cost may vary. |
| 2.1.2 | Operate the Protocol Coordination Platform to facilitate the dissemination and exchange of information <i>Maintenance and improvements to the Platform, gathering all databases related to the Protocol to facilitate the exchange of information</i> | Information technology costs are related to the maintenance of the Platform. |
| 2.1.3 | Organize multisectoral workshops to address challenges in the implementation of the Protocol according to priority areas identified in the Global Progress Report <i>Workshops with the participation of at least 45 Parties to the WHO FCTC, both Parties and non-Parties to the Protocol, to support Parties with identifying and addressing implementation challenges and to enhance multisectoral cooperation for successful implementation of the Protocol</i> | Costs are related to travel support, per diem, interpretation, venue and other local costs. Four workshops are planned with two to three representatives from different sectors of the government per Party. |
| 2.2 | Strategic Objective 2.2 Encouraging multisectoral action | |
| 2.2.1 | Develop case studies with country practices regarding the implementation of different provisions of the Protocol <i>Reports highlighting the experiences of Parties in implementing selected provisions of the Protocol</i> | Costs are related to hiring experts or consultants, and for editing and designing the reports. |
| 2.3 | Strategic Objective 2.3 Mobilizing support from intergovernmental organizations (IGOs) and nongovernmental organizations (NGOs) | |
| 2.3.1 | Engage with relevant IGOs and NGOs and invite them to become observers to the MOP <i>Meetings with representatives of IGOs such as the World Customs Organization, the United Nations Office on Drugs and Crime, the Organisation for Economic Co-operation and Development, the World Bank, and other important international and regional bodies and international NGOs to make the case for supporting the implementation of the Protocol</i> | Costs are related to Convention Secretariat staff travel to participate in bilateral meetings. |

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| 2 | Strategic Goal 2. Full and sustainable implementation of the Protocol | |
| | Details of activity | Budget rationale |
| 2.3.2 | Develop joint projects or participate and organize side events during meetings of relevant IGOs <i>Identifying and participating in major global and regional meetings organized by IGOs, as well as important governing body meetings, to make case for the Protocol</i> | Costs are related to Convention Secretariat staff travel to attend relevant meetings of IGOs. |
| 2.3.3 | Organize an annual meeting with relevant NGOs that are observers to the MOP to discuss plans of cooperation <i>Meeting with NGOs that have been granted observer status by MOP to enhance coordination</i> | Costs are related to simultaneous interpretation. |
| 2.3.4 | Co-organize or invite relevant IGOs and NGOs to contribute to workshops or awareness-raising events <i>Mobilizing resources to support effective implementation of the Protocol by inviting competent IGOs and NGOs to collaborate with the work of the Convention Secretariat in their areas of expertise</i> | Costs are related to Convention Secretariat staff travel to attend workshops or events co-organized with relevant IGOs and NGOs. |
| 2.4 | Strategic Objective 2.4 Supporting Parties to secure financial assistance for Protocol implementation | |
| 2.4.1 | Hold high-level meetings of the Head of the Convention Secretariat with senior officials to build political support for the implementation of the Protocol <i>Political-level meeting to raise awareness about the Protocol and promote further ratification</i> | Costs are related to travel of the Head of the Convention Secretariat and interpretation for bilateral meetings and organization of other outreach activities, when required. |
| | Total activity costs for Goal 2 | US\$ 674 000 |

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| 3 | Strategic Goal 3. Encouraging regional and international cooperation to support implementation of the Protocol | |
| | Details of activity | Budget rationale |
| 3.1 | Strategic Objective 3.1 Facilitating regional and international cooperation | |
| 3.1.1 | Assist and facilitate international cooperation between Parties to the Protocol <i>Facilitating at least 10 international cooperation projects upon request for Parties to exchange knowledge and expertise</i> | Each project is budgeted at US\$ 20 000. Costs might include interpretation, travel support, per diem, venue and other local costs. Depending on the request and needs expressed, the cost may vary. |

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| 3 | Strategic Goal 3. Encouraging regional and international cooperation to support implementation of the Protocol | |
| | Details of activity | Budget rationale |
| 3.1.2 | Maintain the interim solution of the global information-sharing focal point <i>Statutory obligation under Article 8 of the Protocol</i> | Information technology costs are related to the maintenance of an interim solution for the global information-sharing focal point as proposed by the Working Group on Tracking and Tracing (Article 8 of the Protocol). |
| 3.2 | Strategic Objective 3.2 Utilizing the Protocol to promote the rule of law and sharing best practices in controlling other forms of illicit trade | |
| 3.2.1 | Develop social communication materials on the relationship between illicit trade in tobacco products and other types of international crimes <i>Developing and implementing a social communications plan</i> | Costs include contracting services from communications agencies, hiring booths at conferences and other events, and travel costs of special guests and speakers for events. |
| Total activity costs for Goal 3 | | US\$ 420 000 |

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| 4 | Operational Goal 4. Ensuring that the governing and subsidiary bodies can take the necessary decisions | |
| | Details of activity | Budget rationale |
| 4.1 | Operational Objective 4.1 Providing for the optimal operation of the MOP, the Bureau of the MOP, and working groups or expert groups established by the MOP | |
| 4.1.1 | Organize the Fifth session of the Meeting of the Parties (MOP5) <i>Overall cost estimate based on convening MOP5 for three days: should the duration of MOP5 need be extended (to be discussed with the Bureau of the MOP), funds will need to be identified</i> <i>Costs of preparing MOP documentation (translation and editing) based on an estimated maximum of four pages per document and the measures to conduct a PaperSmart MOP</i> | The budget for MOP5 includes: <ul style="list-style-type: none"> • travel support (air ticket and per diem) for one delegate from each of the least-developed country (LDC) Parties to the Protocol; • travel support (air ticket only) for one delegate from each of the low-income country (LIC) and lower-middle-income country (LMIC) Parties to the Protocol, in line with the travel policy for the MOP; • per diem for one delegate from LIC and LMIC Parties if EB funds are available; • overall logistics including interpretation, security, rental services, salaries of short-term conference staff and overtime, costs related to staff on loan, live webcasting of plenary sessions, and documentation (editing and translation); • official records; • side events; • communications campaign and media; and • any unforeseen expenses. |

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| 4 | Operational Goal 4. Ensuring that the governing and subsidiary bodies can take the necessary decisions | |
| | Details of activity | Budget rationale |
| 4.1.2 | Organize regional preparatory meeting for the MOP (pre-MOP meetings), including through virtual means <i>Six pre-MOP meetings to be held back to back with regional preparatory meetings for the Conference of the Parties (COP) to the WHO FCTC, to improve the preparation of Parties for the discussions of the themes and documents that will be presented at MOP4</i> | Costs are related to travel support, per diem, interpretation, venue and other local costs. |
| 4.1.3 | Prepare and support the work of the MOP Bureau, and convene meetings – including through videoconferences <i>Based on the needs of the Bureau, if more than two languages are needed, the budget to be adjusted accordingly</i> | The budget includes travel, per diem, interpretation, editing and logistics. |
| 4.1.4 | Make the necessary arrangements for intersessional subsidiary bodies as decided by MOP4, including through virtual means <i>Pending a decision from MOP4 on the establishment of subsidiary bodies such as working groups</i> | The budget is planned for three meetings, including through virtual means. Costs include travel support (air ticket and per diem) for delegates from LDC Parties, travel support (air ticket only) for delegates from LIC and LMIC Parties, interpretation (three languages on average), room rental, documentation and logistics. |
| | Total activity costs for Goal 4 | US\$ 1 172 000 |

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| 5 | Operational Goal 5. Ensuring the capacity and ability of the Convention Secretariat to perform its duties | |
| | Details of activity | Budget rationale |
| 5.1 | Operational Objective 5.1 Providing adequate staff and financial management | |
| 5.1.1 | Provide general administration and management to the Convention Secretariat | Costs include telecommunication costs, purchase of information technology devices and software, editing, translation, mailing costs, strategic planning meeting costs and other miscellaneous operating costs, as required. |
| 5.2 | Operational Objective 5.2 Mobilizing resources to support the implementation of the Protocol | |
| 5.2.1 | Follow up on the collection of AC <i>Producing communications to Parties</i> | Costs are related to editing and translation of documents to be sent to Parties and interpretation for bilateral meetings, when needed. |
| 5.2.2 | Implement a fundraising plan <i>Contacting potential donors to raise necessary funds to implement the workplan</i> | Costs are related to translation, editing and design of documents to be sent to potential donors, and travel and interpretation for bilateral meetings, when needed. |
| | Total activity costs for Goal 5 | US\$ 41 122 |

Staff

9. The table below shows the summary of the proposed staff positions to be funded with Protocol AC and EB, by type of position and source of funding.

| Level | D2 ^a | P5 ^a | P4 ^a | P3 ^a | P2 ^a | G5 ^a | Cost (US\$) |
|--------------|----------------------|----------------------|-----------------|---------------------|----------------------------------|-----------------------|------------------|
| AC | 1 (30%) ^b | 4 (30%) ^b | 1 (100%) | 2 (100%) 1 (50%) | 1 (100%) 1 (50%) ^b | 1 (100%) | 3 858 408 |
| EB | – | – | – | 1 (50%) | 2 (100%) 1 (50%) ^b | 1 (100%) ^c | 1 401 300 |
| Total | 1 | 4 | 1 | 3 | 5 | 2 | 5 259 708 |

^a For information on the United Nations staff category codes, see <https://careers.un.org/job-level>. United Nations; 2025 (accessed 5 March 2025).

^b Proportion of the amount from the MOP budget (see paragraphs 14, 15 and 16).

^c This is a temporary position for 12 months only.

10. The Convention Secretariat considers that the cost of the positions of staff members who are essential for conducting basic MOP mandates and statutory obligations of the Protocol should be secured and covered by AC since their continuation cannot be put at risk. All posts are filled following the WHO selection process.

11. The positions of staff members who will support other activities that will be implemented with contributions made under donor agreements are to be funded by EB. In these cases, temporary appointments may be the more suitable contract modality. These positions have a maximum duration of 24 months, and a break in service of a minimum of 31 days must be observed before the incumbent could be rehired – if still needed – for another 24 months.

12. The staff costs presented in the draft budget are based on the latest available projected WHO staff standard salary costs (post cost averages) for 2024–2025, with an 8% increase. These costs include net base salary, post adjustment, employee benefits and occupancy costs.

13. Please note that since Article 34 of the Protocol stipulates that the Convention Secretariat shall also serve as the Secretariat of the Protocol, the costs of some posts – including of the Head of the Convention Secretariat and senior management positions – are co-funded between workplans and budgets of the COP to the WHO FCTC and the MOP.

14. The total of the proposed staff post costs to be covered by Protocol AC is US\$ 3 858 408 for the biennium 2026–2027, as shown in the table below.

| (Number of positions) and level | Position | Percentage to be paid by Protocol AC |
|---------------------------------|---|--------------------------------------|
| (1) D2 | Head of the Secretariat | 30% |
| (4) P5 | Three team leads and one senior legal adviser | 30% |
| (1) P4 | Programme manager | 100% |
| (3) P3 | Technical officer (customs), technical officer (knowledge management) and technical officer (legal) | 2 at 100% 1 at 50% |
| (2) P2 | Administrative officer and communications officer | 1 at 100% 1 at 50% |
| (1) G5 | Assistant | 100% |

15. It is further proposed to consider the following current staff positions under EB, as shown in the table below, with a view to undertaking the relevant proposed activities in the workplan, should sufficient EB be raised. The additional staffing costs might reach US\$ 1 401 300, depending on resource mobilization and the pace of implementation.

| (Number of positions) and level | Position | Percentage to be paid by Protocol EB |
|---------------------------------|--|--------------------------------------|
| (1) P3 | Technical officer (legal) | 50% |
| (3) P2 | External relations officer, technical officer (reporting and knowledge management) and technical officer (international cooperation) | 2 at 100% 1 at 50% |
| (1) G5 | Assistant (12 months) | 100% |

16. The proposed total of 28 staff members is reasonable, and constitutes a small number when compared with other convention secretariats. In addition, the Convention Secretariat serves two treaties – one with 70 Parties (Protocol) and the other with 183 Parties (WHO FCTC), as of 24 June 2025. The staff plan does not include possible short-term assignments that would be based on actual needs and resources available. The table below gives the list of all positions proposed both in the COP and MOP workplans, and the source of funding.

| Level | Position | Percentage WHO FCTC AC | Percentage WHO FCTC EB | Percentage Protocol AC | Percentage Protocol EB |
|-------|---|------------------------|------------------------|------------------------|------------------------|
| D2 | Head of the Secretariat | 70% | – | 30% | – |
| P5 | Senior legal adviser | 70% | – | 30% | – |
| P5 | Team lead (governance) | 70% | – | 30% | – |
| P5 | Team lead (knowledge management) | 70% | – | 30% | – |
| P5 | Team lead (assistance to Parties) | 70% | – | 30% | – |
| P4 | Programme manager (WHO FCTC) | 100% | – | – | – |
| P4 | Programme manager (Protocol) | – | – | 100% | – |
| P4 | Treaty officer (legal) | 100% | – | – | – |
| P3 | Administrative officer | 100% | – | – | – |
| P3 | External relations officer | 100% | – | – | – |
| P3 | Technical officer (knowledge management) | 50% | 50% | – | – |
| P3 | Technical officer (assistance to Parties) | – | 100% | – | – |
| P3 | Technical officer (assistance to Parties) | – | 100% | – | – |
| P3 | Technical officer (assistance to Parties) | – | 100% | – | – |
| P3 | Technical officer (legal) | – | – | 50% | 50% |

| Level | Position | Percentage WHO FCTC AC | Percentage WHO FCTC EB | Percentage Protocol AC | Percentage Protocol EB |
|-------|---|------------------------|------------------------|------------------------|------------------------|
| P3 | Technical officer (customs) | – | – | 100% | – |
| P3 | Technical officer (knowledge management) | – | – | 100% | – |
| P2 | Administrative officer | – | – | 100% | – |
| P2 | Communications officer | 50% | – | 50% | – |
| P2 | Technical officer (international cooperation) | 50% | – | – | 50% |
| P2 | External relations officer | – | – | – | 100% |
| P2 | Technical officer (assistance to Parties) | – | – | – | 100% |
| G6 | Assistant to executive director | 100% | – | – | – |
| G5 | Assistant to team (governance) | 100% | – | – | – |
| G5 | Assistant to team (international cooperation) | – | – | – | 100% |
| G5 | Assistant to team (knowledge management) | 100% | – | – | – |
| G5 | Assistant to team (assistance to Parties) | – | 100% | – | – |
| G5 | Assistant to team (administration) | – | – | 100% | – |

17. Annex 2 of document FCTC/MOP/4/12 presents a detailed breakdown of proposed staff costs.

Recovery costs

18. The Convention Secretariat, as an entity hosted by WHO, is charged recovery costs through a methodology introduced in 2016 to ensure full cost recovery and improve the transparency of the approach. The calculation of the amount to be charged to the Convention Secretariat is based on WHO's management and administration costs and the number of staff members at the Convention Secretariat, which can fluctuate from one biennium to another.

19. The payment of this amount comes initially from the automatic deduction of programme support costs that WHO applies to the expenditures from EB received by the Convention Secretariat. When the amount automatically deducted from EB is not enough to cover the cost recovery in a biennium, WHO will deduct the difference from the Protocol and WHO FCTC AC, proportionally to their total amounts. In the unlikely event that the amount deducted from EB is greater than what is needed to cover the recovery costs, the difference would be returned to the Convention Secretariat.

20. Therefore, the exact amount that potentially will need to come from AC to cover recovery costs depends on the amount of EB that the Convention Secretariat is able to raise and expend.

21. Until 2020, WHO was retaining 13% of the WHO FCTC AC to cover this potential difference, and was only releasing the difference at the end of the biennium. With the signing of WHO's Hosting Terms for the Convention Secretariat on 30 October 2019, it was established that WHO would no longer retain the 13% from AC, but that the Convention Secretariat would still need to consider that amount in all proposed workplans and budgets to cover potential differences between the programme support costs and the cost recovery. The unspent amount of the 13% budgeted from the AC to cover recovery costs, if any, will be carried over to the next biennium.

Total budget

22. AC are envisaged at US\$ 4 999 719 for 2026–2027, including recovery costs. This represents no increase compared to the 2024–2025 AC, which were adopted by the Third session of the Meeting of the Parties (MOP3). AC are essential to ensure statutory functions and core activities of the workplan, as well as the salaries of core staff in order to be able to deliver those core functions at the expected level of excellence.

23. EB, including recovery costs, are envisaged at US\$ 4 358 749. EB are required for activities not covered by AC, which include direct assistance to Parties, as well as proposed additional staffing to implement such activities. If EB are not made available, most of the proposed activities in support of treaty implementation would need to be reduced or abandoned.

24. The total budget is proposed at US\$ 9 358 468, distributed between AC and EB.

Comparison between the adopted 2024–2025 Workplan and Budget and the proposed 2026–2027 Workplan and Budget

25. The total proposed for the 2026–2027 Workplan and Budget is US\$ 9 358 468, which represents a small overall increase of 4% compared to the 2024–2025 Workplan and Budget adopted by MOP3. This increase is related to a proposed small increase in EB. As previously stated, there is no proposed increase in AC.

Comparison of budget lines between the adopted 2024–2025 Workplan and Budget and the proposed 2026–2027 Workplan and Budget (US\$)

| Cost category | Covered by AC | | | Covered by EB | | | Total | | |
|----------------------|---------------|-----------|---------------|---------------|-----------|---------------|-----------|-----------|---------------|
| | 2024–2025 | 2026–2027 | Variation (%) | 2024–2025 | 2026–2027 | Variation (%) | 2024–2025 | 2026–2027 | Variation (%) |
| Activity costs | 792 895 | 566 122 | –29 | 2 304 000 | 2 456 000 | 7 | 3 096 895 | 3 022 122 | –2 |
| Staff costs | 3 631 635 | 3 858 408 | 6 | 1 262 100 | 1 401 300 | 11 | 4 893 735 | 5 259 708 | 7 |
| Total direct costs | 4 424 530 | 4 424 530 | 0 | 3 566 100 | 3 857 300 | 8 | 7 990 630 | 8 281 830 | 4 |
| Recovery costs (13%) | 575 189 | 575 189 | 0 | 463 593 | 501 449 | 8 | 1 038 782 | 1 076 638 | 4 |
| Grand total | 4 999 719 | 4 999 719 | 0 | 4 029 693 | 4 358 749 | 8 | 9 029 412 | 9 358 468 | 4 |

Assessed Contributions

26. A total of US\$ 4 999 719 is covered by AC in both biennia; this represents a zero-nominal growth budget for AC.

27. AC are mainly allocated to cover the organization of MOP5 and Bureau meetings, and support for the implementation of tracking and tracing systems, the global information-sharing focal point, and core staff positions. A smaller portion of AC has also been allocated to fund general administration and management of the Convention Secretariat in relation to the Protocol.

28. For activity costs, the proposed budget represents a 29% decrease in activity costs covered by AC. This is related to the need to divert AC to cover increasing staff costs.

29. For staff costs, the proposed budget represents a 6% increase to be covered by AC, without increasing the total amount of AC. This is related to regular increases in WHO staff costs. There is no difference in the positions and the percentage to be covered by Protocol AC between the adopted 2024–2025 Workplan and Budget and the proposed 2026–2027 Workplan and Budget.

30. It is important to note that, while the Convention Secretariat seeks to keep the increase in staff costs to a minimum level by not increasing the number of positions or the percentage covered by AC, regular increases from one biennium to another are inevitable as WHO's staff costs increase. Keeping the total amount of AC at the same level will unavoidably put at risk the positions essential for conducting basic MOP mandates and statutory obligations of the Protocol and the activities funded by AC, such as the organization of the MOP.

31. AC are dues that each Party must pay to participate in the Protocol. The scale of assessment reflects for the most part a country's gross domestic product, and is based on the corresponding WHO scale of assessment, taking into account the difference between membership of WHO and that of the Protocol.

32. AC are a key source of financing for the Convention Secretariat, providing predictable financing, helping to minimize dependence on a narrow donor base, and allowing resources to be aligned to the workplan and budget adopted by the MOP. As in the case of WHO, AC are also a source of flexible funding that allows the Convention Secretariat to keep pace with demands, perform the tasks mandated by the MOP and achieve what is expected of it.

33. The Convention Secretariat strictly follows WHO financial regulations and financial rules, and strives to ensure maximum implementation of the AC allocated to activities and staffing. At the end of a biennium, any unspent AC, such as the amount budgeted to cover the recovery costs, will be carried over to the next biennium. This will be reported to the MOP and the Bureau of the MOP as part of the opening balance in the certified statements of income and expenditure.

34. Any amount carried over to the next biennium would be available to fund priority activities included in the workplan and budget approved by the MOP for that biennium, such as support for the implementation of tracking and tracing systems. All expenditures will be reported to the Bureau of the MOP and to the MOP in the financial reports of the Convention Secretariat.

Extra-budgetary Contributions

35. A total of US\$ 4 358 479 is covered by EB, which represents a small 8% increase between the adopted 2024–2025 Workplan and Budget and the proposed 2026–2027 Workplan and Budget.

36. With regard to the activity costs to be covered by EB, the proposed 2026–2027 Workplan and Budget represents an increase of 7% compared to the adopted 2024–2025 Workplan and Budget, mostly due to the activities aimed at technically supporting Parties to implement the Protocol in accordance with the Strategy for mechanisms of assistance and mobilization of financial resources to support implementation of the Protocol, adopted by the MOP in decision FCTC/MOP2(11).

37. Regarding staff costs, subject to availability of EB, the proposed 2026–2027 Workplan and Budget represents an 11% increase. This is related to regular increases in WHO staff costs. There is no difference in the positions and the percentage to be covered by Protocol EB between the approved 2024–2025 Workplan and Budget and the proposed 2026–2027 Workplan and Budget.

38. It should be noted that the proposed budget, when expenditures are planned to be covered by EB, is included for the purposes of creating “budget space”. In some cases, it represents a high ceiling that is included to allow the Convention Secretariat to engage in resource mobilization and to take the appropriate actions in accordance with WHO regulations when a new contribution is made by a donor. The total amount of EB should not be taken as a responsibility of the Convention Secretariat to mobilize those resources fully, but as the maximum amount that can be mobilized in the biennium. All activities proposed to be funded by EB are subject to the mobilization of the corresponding resources.
