

## POLICY BRIEFING

This document relates to item 5.1 of the provisional MOP agenda and corresponds to document [FCTC/MOP/2/8](#)

Second session of the Meeting of the Parties to the Protocol to Eliminate Illicit Trade in Tobacco Products, 15-18 November 2021

### **Financial resources and mechanisms of assistance: Progress in developing the Protocol implementation assistance strategy**

#### **Key Recommendations**

- We welcome the *Strategy for Mechanisms of Assistance and Mobilization of Financial Resources to Support Implementation of the Protocol*. We note that this strategy relies mainly on Extrabudgetary Funding and we recommend ensuring the financial viability of this strategy, for example via the proposed investment fund and/or Parties who are able to provide Extrabudgetary Funding at this key moment of growth in a relatively new Protocol.
- Cooperation with other intergovernmental organisations is of key importance and we therefore encourage Parties to the Protocol to work with relevant government agencies internally, such as their Ministries of Finance, in order to secure mandates for IGOs to fully participate in the Protocol's implementation and technical assistance delivery. We encourage the Convention Secretariat to continue to invite these IGOs to apply for the status of observer to the MOP and/or contribute to the implementation of the Protocol, in addition to playing a key role in connecting Parties with expert help from other Parties and IGOs, as well as specialised NGOs or independent sources.
- The Protocol is primarily a law enforcement, customs, and tax administration treaty, and therefore requires relevant expertise, especially regarding the assistance for low- and middle-income countries. We welcome that the Convention Secretariat staff was reinforced with relevant experience to support the Protocol and we call on Parties to support the further strengthening of the Secretariat with dedicated senior staff to ensure high-level support for Parties. We encourage Parties to consider providing additional Extrabudgetary Contributions to support further funding additional staff and full implementation of the strategy and/or by Parties committing to staff secondment agreements with the Convention Secretariat from relevant agencies.

#### **Why this is important**

Given the urgent need for all Parties to fully implement the Protocol and the fact that many low- and middle-income country Parties require financial and technical assistance to do so, the MOP adopted decision [FCTC/MOP1\(8\)](#) to request the Convention Secretariat, under the guidance of the Bureau of the MOP, to develop a Protocol implementation assistance strategy focused on mechanisms of assistance and the mobilisation of financial resources. Based on a consultative strategy development

process, the Convention Secretariat has proposed the Strategy found in Annex 1 of [FCTC/MOP/2/8](#). The proposed Strategy is based on three key areas of support:

- Understanding the problem and context of illicit trade in tobacco products
- Full and sustainable implementation of the Protocol
- Encouraging regional and international cooperation to support implementation

We welcome the proposed *Strategy for Mechanisms of Assistance and Mobilization of Financial Resources to Support Implementation of the Protocol*, noting the importance of these key areas of support for Protocol implementation.

### **Supporting the financial viability of the Strategy**

As noted in document FCTC/MOP/2/8, almost all low-income Parties report that they face financial challenges related to funding Protocol implementation. Accordingly, part of the Strategy is based on helping to address these challenges through financial resource mobilisation. We note the importance of the proposed Strategy's activities to promote domestic resource mobilisation in this area and the support to Parties on how to clearly articulate their financial needs to banks and other potential partners. This latter issue has been flagged by some development agencies as being key in order to access funding; there needs to be clearly articulated demand from low- and middle-income countries.

Another key aspect of financial resourcing for Protocol implementation is Extrabudgetary Funding for the MOP budget and workplan. This Strategy's activities would rely mainly on Extrabudgetary Funding, which make up roughly 70% of the proposed budget for the upcoming biennium. To ensure the financial viability of the Strategy and ensure that the proposed activities contained therein are fully pursued, collecting the amount of Extrabudgetary Funding required to enact the Strategy will be crucial. We recognise and applaud Parties that have committed such funding in the past and call on Parties to provide Extrabudgetary Funding contributions early in the biennium to support the success of the Strategy and its activities.

### **Cooperation with Intergovernmental Organisations**

'Mobilising support from IGOs and NGOs' is listed as a key component of the Strategy under 'Full and sustainable implementation of the Protocol'. Inviting IGOs to participate in ITP implementation will be critical for its success and we welcome the proposed related activities for the Convention Secretariat to undertake. We encourage the Convention Secretariat to continue to invite these IGOs to apply for the status of observer to the MOP and/or contribute to the implementation of the Protocol, in addition to playing a key role in connecting Parties with expert help from other Parties and IGOs, as well as specialised NGOs or independent sources.

Parties also play an important role in this process, as relevant to the work under the 'Encouraging multisectoral action' component of the Strategy listed under 'Full and sustainable implementation of the Protocol'. Improving government-wide approaches to Protocol implementation should include coordination with Ministries responsible for relationships with relevant IGOs. We encourage Parties to work with relevant government agencies internally, such as their Ministries of Finance, in order to secure mandates for IGOs to fully participate in the Protocol's implementation and technical assistance delivery.

## **Investing in staffing to enact the Strategy**

Investing in the success of the Strategy also means investing in the staff who will carry out and/or oversee the work proposed under the Strategy. We welcome that the Convention Secretariat staff was reinforced with relevant experience to support the Protocol and we call on Parties to support the further strengthening of the Secretariat staffing with relevant expertise, especially in order to assist low- and middle-income country Parties with implementation. Such a bolstering of the Convention Secretariat by investing in its staff, including at a senior level, will enable the development of the toolkits and briefs and other resources outlined in the Strategy as well as to ensure high-level support to Parties, to lead the growth of the Protocol, and to engage with all stakeholders in line with the Strategy.

The Protocol is a broad, multisectoral treaty and the proposed Strategy contains a large range of activities and projects; it would accordingly benefit from strengthening the senior level staffing of the Secretariat to provide leadership across all of the components of the Strategy. We therefore encourage Parties to consider providing additional Extrabudgetary Contributions to support further funding additional staff and full implementation of the Strategy and/or by Parties committing to staff secondment agreements with the Convention Secretariat from relevant agencies.