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'I' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 1)
Subject:	WHO Framework Convention on Tobacco Control (FCTC) – Ninth session of the Conference of the Parties (COP9), online, 8-13 November 2021 Common positions and EU positions (except for agenda item 6.4) <i>- Approval</i>

Introduction

1. The Ninth session of the Conference of the Parties (COP9) to the Framework Convention on Tobacco Control (hereinafter "FCTC") will be held virtually from 8-13 November 2021.
2. The Working Party on Pharmaceuticals and Medical Devices, at its meetings held on 23 September, 5 and 15 October 2021, discussed the different items on the Conference agenda on the basis of submissions from the Commission and the Presidency.
3. For items relating to issues that fall under exclusive EU competence the aim was to establish tentative EU positions and for items that relate to issues that fall under mixed competence the aim was to tentatively agree on common positions. The resulting draft EU positions and draft common positions are set out in the Annex to this note.

4. It is noted that common positions and EU positions should be agreed by consensus.
5. The Working Party reached tentative agreement on all common positions and EU positions to be presented at COP9.
6. As regards Agenda item 6.4, the Council Legal Service pointed out that this issue constituted a new policy that may be politically sensitive and that the related common position should therefore be subject to agreement at Council level (see document 13022/21 on that agenda item).

Conclusion

7. In the light of the above, the Permanent Representatives Committee is invited to confirm the agreement reached by the Working Party on Pharmaceuticals and Medical Devices regarding all EU positions and common positions relevant to the preparation of COP9 except for the common position relating to Agenda item 6.4.

COMMON POSITIONS and EU POSITIONS

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¹ The draft common position on this Agenda item is set out in document 13022/21.

Agenda item 1.1

Adoption of the agenda and organization of work (FCTC/COP/9/1 and FCTC/COP/9/1(annotated))

Common Position

The EU and its Member States

- thank the Bureau and the Convention Secretariat for their efforts to arrange COP9 in such unprecedented situation posed by the Covid-19 pandemic.
- agree with the adoption of agenda as proposed by the Secretariat and the organization of work in Plenary session, Committees A and B.
- agree with the deferral of other items as listed in document FCTC/COP/9/1 to the Tenth Session of the Conference of the Parties (COP10)².
- agree with the deferral of discussion of the reports to be presented for information of the Parties under agenda points 4.1, 4.2 and 5.1 to COP10.
- despite agreeing with the deferral of this topic to COP10, we acknowledge with regret that the current circumstances caused by virtual nature of the COP9 do not allow the consideration of the report of the working group on tobacco advertising, promotion and sponsorship and the discussion of draft guidelines to address depiction of tobacco in entertainment media, especially when the landscape of entertainment media has changed substantially since adoption of the guidelines for implementation of Article 13.

² Items deferred to COP10: Article 2.1 of the WHO FCTC on measures beyond those required by the Convention; Tobacco advertising, promotion and sponsorship: depiction of tobacco in entertainment media; Accountability of the tobacco industry; Promotion of the WHO FCTC through human rights; and Possible Amendment of the Rules of Procedure of the COP

- note, however, that in this unprecedented situation and given the virtual setting of the Conference, COP9 cannot take decisions on important topics what would impact future EU legislation.
- emphasize the strategic importance of addressing novel and emerging tobacco products and tobacco-free nicotine products during COP10, taking account of a rapidly evolving market.
- recognize that the mandate of the Working Group on Articles 9 and 10 of the WHO FCTC remains suspended and agrees with the deferral of the decision on the future of the Working Group to COP10.
- agree to extend the duration of the mandate of the expert group based on the same terms of reference with a view of discussing an updated report on the implementation of Articles 9 and 10 at COP10.
- support requesting the Secretariat and the WHO to update any report on which discussions are deferred to COP10 by – among others – taking into account input from Parties and evolving scientific information and present the updated reports at the COP10. We request the Secretariat to amend the draft omnibus decision by adding the underlined text accordingly.

[Fall-back position:

The EU and its Member States do not support the possibility of changes to the terms of reference of the expert group as stated in decision FCTC/COP8(21).]

Agenda item 3

Global progress in implementation of the WHO FCTC (FCTC/COP/9/5)

Speech by Commissioner Kyriakides

at the 9th session of the Conference of the Parties
to the Framework Convention on Tobacco Control

(pre-recorded statement)

Honourable Ministers, Ambassadors, Distinguished Delegates,

I am delighted to be addressing the global tobacco control community, on behalf of the EU and its Member States, at the Ninth Session of the Conference of the Parties to the World Health Organisation Framework Convention on Tobacco Control.

I thank the FCTC Secretariat and the World Health Organization for preparing the meeting documents and making this virtual session possible.

The EU has high expectations for COP9. We encourage all Parties to focus on its objectives and make our work on FCTC implementation timely and effective.

The COVID-19 pandemic shows us that tobacco control is not only relevant for the fight against the known health consequences of smoking, such as addiction, lung cancer and an increased risk of mortality and co-morbidities.

It can also affect the severity of a COVID-19 infection.

So it is more essential than ever that we press ahead with our efforts on tobacco control.

The European Union has always actively supported strong tobacco control policies, championed multilateralism, and has been a driving force in negotiating the FCTC and its Protocol to Eliminate Illicit Trade in Tobacco Products. We continue to encourage FCTC Parties to ratify the Protocol.

We have consistently been at the forefront of tobacco control and will continue to take decisive action. Modern tobacco control policy needs to address, in particular, emerging novel products and tobacco-free nicotine products, taking account of a rapidly evolving market and growing use by young people. Regulation should follow suit.

Clearly, there is still substantial work to be done. Because, despite our efforts, smoking rates in Europe are too high.

This is why tobacco control features prominently in the recent **Europe's Beating Cancer Plan** which sets a new, ambitious goal for the next 20 years: to **create a tobacco-free generation in Europe by 2040**, where fewer than 5% of people use tobacco.

This is the most ambitious target ever set for the EU.

To meet it, we are planning to strengthen our legislative framework on tobacco control.

We will **review the Tobacco Taxation Directive** and the rules on Cross-Border Tobacco Purchases.

We will update the Council Recommendation on Smoke-Free Environments to take account of novel products.

And we will **adapt the Tobacco Products Directive** to make it fit for new developments.

Ladies and gentlemen,

The EU has high aspirations for tobacco control. The smoking epidemic is a global problem requiring global solutions. It is clear that all measures taken at international or national level must be free of influence from the tobacco industry and other vested interests.

That is why we will maintain our strong support for the FCTC.

We look forward to working with all of you during this week and hope for a fruitful outcome to take our global tobacco control agenda forward.

Thank you.

Agenda point 4.1

Implementation of Articles 9 and 10 of the WHO FCTC (Regulation of contents and disclosure of tobacco products: reports by the expert group, and by WHO and the Convention Secretariat)

EU Position

Document FCTC/COP/9/6: Implementation of Articles 9 and 10 of the WHO FCTC (Regulation of contents and disclosure of tobacco products) - Report by the Expert Group

The EU

1. Notes the work done by the expert group that was established to provide
 - a detailed analysis of factors that lead to a low implementation of Art 9 and 10,
 - describing positive experiences in order to address such barriers and
 - recommendations regarding next steps to the COP.
2. Thanks for the report that delivered on its mandate and agrees with the key recommendations
 - that tobacco product regulation is a powerful tool;
 - that product regulation should be part of any comprehensive tobacco control strategy, in particular in the changing tobacco market and regulatory environment, where new ingredients, constituents, emissions and sometimes entirely new products are launched so frequently;

- addressing new products requires a multipronged approach based on good coordination among various actors that could provide such assistance, including the Convention Secretariat, its existing Knowledge Hubs, WHO, WHO TobReg, WHO TobLabNet, WHO collaborating centres (through WHO), GTRF and civil society.
 - We also note some interesting ideas taken up in this report, such as the suggestion that Parties should explore the possibility to fund activities related to implementation of Articles 9 and 10 through fees collected from economic operators.
3. Notes the recommendation to set up a knowledge hub and invites the Secretariat and the expert group to further demonstrate what the benefit and value added of creating a supplementary knowledge hub would be and how it would interrelate with the already existing structures. *[fall-back position: Nonetheless, the EU is willing to accept the creation of such a hub, when other Parties are in favour of setting it up.]*
 4. Agrees to extend the duration of the current mandate of the expert group beyond COP9 based on the same terms of reference with a view of discussing an updated report at COP10, taking into consideration in particular the following:
 - the impact of new products and product features entering the market;
 - the added value of more specific and practical steps for each of the key recommendations (eg. capacity building, fee based funding, establishment of knowledge hub).
 5. recognizes that the mandate of the Working Group remains suspended and agrees with the deferral of the decision on the future of the Working Group to COP10.

Document FCTC/COP/9/7 Report on the cigarette ventilation meeting - Report by the Convention Secretariat

The EU

- thanks the organizers for setting up the meeting on cigarette ventilation, as well as the participants for the useful reflections in the context of tobacco control regulation.
- takes note of and welcomes the report of the meeting on cigarette ventilation which further explored how this design feature may be misleading and potentially harm consumers.
- acknowledges that ventilation is one of several methods used by the tobacco industry to promote smoothness and make products more appealing, which is important knowledge in the work to protect children, adolescents and non-smokers from the harmful effects of smoking, and acknowledges the implications of ventilation on the accuracy of the machine measurement results.
- is looking forward to discuss the outcomes of this report at COP10.

Document FCTC/COP/9/8 Progress report on technical matters related to Articles 9 and 10 of the WHO FCTC (Regulation of contents and disclosure of tobacco products, including waterpipe, smokeless tobacco and heated tobacco products) - Report by the World Health Organization

The EU

- thanks the WHO for the report on technical matters related to Articles 9 and 10 of the WHO FCTC prepared for this Conference of the Parties;
- thanks the Convention Secretariat, WHO, TobReg, TobLabNet, and other experts involved, for their support in the scientific work and laboratory assessments carried out and recommendations provided;

- welcomes that the report focuses on ENDS/ENNDS and emerging products, and the relevant recommendations for the Parties in that sense;
- notes that also other tobacco-free nicotine products should be monitored in the future;
- welcomes the development, adaptation and validation of methods for the determination of relevant contents and emissions of tobacco and nicotine products;
- considers important that items related to the regulation and disclosure of tobacco products remain on the agenda of the COP, but reiterates that actual technical work should continue to be carried out by WHO and related entities.

Agenda item 4.2

Novel and emerging tobacco products (FCTC/COP/9/9 and FCTC/COP/9/10)

EU Position

The EU

- witnesses with concern the growing market of novel and emerging tobacco products, including heated tobacco products.
- regrets that this unprecedented situation has resulted in the postponement of substantive discussions on this agenda item to COP10, as this time lag will allow the tobacco industry to further increase the market presence of novel and emerging tobacco products. This may lead to a delay in preparation and implementation of effective tobacco control measures on these products, including on HTPs.
- Despite accepting the deferral, would nevertheless like to state the following:
 - thanks the Secretariat and WHO for the reports addressing many of the expectations from the decision COP8(22), including the call for regulatory action where needed.
 - in particular, notes the recognition that these products are subject to the provisions of the FCTC and that the report on the Challenges posed by and classification of novel and emerging tobacco products concludes that all articles of the WHO FCTC and their guidelines for implementation can be applied to novel and emerging tobacco products, including HTPs, and where appropriate, should be extended to the devices needed for their use if they are not covered by national legislation.

- is concerned that no straightforward conclusion was made regarding the further update and development of the current guidelines to explicitly take into account these products.
- notes the conclusions on smoke which are relevant for some other tobacco related discussions at international level and notes that report is inconclusive whether or not combustion is present while using heated tobacco products.
- notes the reference to the new customs classification and expects that the Secretariat monitors closely the developments in other international bodies such as the WCO in order to check to which extent health aspects are to be taken into account in its implementation and in the next cycle of negotiations, and report to COP10.
- emphasizes that appropriate taxation of HTPs is an important tool in tobacco control strategy.
- considers it important to continuously monitor the use of these products, especially by young people given the worrying trends of popularity existing in this age group and non-smokers and requests the Secretariat and the WHO to update the reports and present the updated reports at the COP10 by also taking input from all Parties.

Agenda item 5.1

Implementation Review Mechanism (FCTC/COP/9/11)

Common Position

The EU and its Member States:

- welcome the report on the IRM pilot project exercise and thanks the Convention Secretariat for the preparation of the proposed terms of reference and the costed strategy for a potential IRM.
- thank the Secretariat, the experts and the volunteer Parties for the successful completion of the pilot project exercise.
- consider that the gaps reported in Point 14 relating to the lack of full compliance with Article 5.3 and lack of full implementation of Article 6 in the volunteer Parties are concerning and need attention from all Parties.
- invite the Secretariat to clarify whether a decision is expected at COP9. The proposed workplan and budget for 2022-23 contains the line 3.1.2.1 “Develop and operate an Implementation Review Mechanism (IRM) for the WHO FCTC (if approved by COP9)”, however, there is no draft decision provided for the Parties to launch the Implementation Review and Support Mechanism.
- in connection with the point above, invite the Secretariat to clarify the proposed roll-out date of the Implementation Review and Support Mechanism.

Agenda item 6.1

Performance and Progress reports (FCTC/COP/9/12)

Tables contained in Doc. FCTC/COP/9/12:

Statement of Income and Expenditure for the period 1 January 2018 to 31 December 2019 (expressed in US\$)

		Total
Opening balance, 1 January 2018		8 457 553
Revenue		
Assessed Contributions (AC) COP7 approved	8 800 522	
Voluntary Contributions	12 987 847	
Total Revenue		21 788 369
Expenses as at 31 December 2019 (details below)	18 266 109	
Total expenses		18 266 109
Fund balance at 31 December 2019		11 979 813
Less:		
Receivable from AC prior biennia (2006–2017)	-334 497	
Reserve for AC 2018–2019 (2%)	-176 010	
Funds available, 31 December 2019		11 469 306

Statement of Income and Expenditure
for the period 1 January 2020 to 31 December 2020 (expressed in US\$)

		Total
Opening balance, 1 January 2020		11 979 813
Revenue		
Assessed Contributions (AC) COP8 approved	8 800 522	
Extra-budgetary Contributions (EB)	7 546 019	16 346 541
Total Revenue		28 326 354
Expenses as at 31 December 2020 (details below)	7 345 501	
PSC* January 2020 – December 2020	158 181	
Total expenses		7 503 682
Fund balance at 31 December 2020		20 822 672
Less:		
Receivable from AC prior biennia (2006–2019)	-606 381	
Reserve for non-payment AC 2020–2021 (2%)	-176 010	-782 391
Funds available, 31 December 2020		20 040 281

*Programme Support Cost (PSC)

Status of assessed contributions (AC) 2020–2021

Approved Assessed Contribution		8 800 522
Collected as at 31 December 2020	4 026 968	
Outstanding	4 773 554	

Common position

The EU and its Member States:

- would like to thank the Convention Secretariat for the work on the report and takes note of this report.
- note the surplus of 11,469,306 USD available at the end of the biennium 2018-2019.
- strongly welcome the great efforts to reduce arrears of assessed contributions (AC) and notes that for the biennium, almost 97 % of AC were collected.
- would like to thank the Parties that have made extra-budgetary contributions to the FCTC.
- welcome that the activities identified in the reports on the work-plans were accomplished.
- also welcome FCTC assistance activities to the parties in implementing specific provisions of the Convention.
- further welcome the promotion of the entry into force of the Protocol to Eliminate Illicit Trade in Tobacco Products by several activities conducted by the Convention Secretariat.
- note coordination of FCTC with international and regional intergovernmental organisations and other bodies.

- note the administration and management activities including coordination with relevant departments and offices of WHO.
- note with satisfaction that the WHO Hosting Terms for the Convention Secretariat were put into effect.
- would appreciate a clarification how the fact that many of the Convention Secretariat's activities are now virtual will impact on the spending balance in biennium 2020-2021,
- invite the Convention Secretariat to consider means of restoring the pre-Covid situation (assessing the performance and progress for the 2 previous years before COP) in order to eliminate the need for Interim Performance Reports.

Agenda item 6.2

Proposed workplan and budget for the financial period 2022-2023 (FCTC/COP/9/13 and FCTC/COP/9/INF.DOC./1)

Common Position

Main messages:

- The EU and its Member States thank the Secretariat for the comprehensive proposed work plan and budget for the period 2022-2023.
- The proposed work plan and budget follow the structure of the work plan and budget for the financial period 2020-2021 approved by COP decision FCTC/COP8 (10). The current proposed Workplan and Budget is based on the *Global Strategy to Accelerate Tobacco Control: Advancing Sustainable Development through the Implementation of the WHO FCTC 2019–2025* (the Global Strategy), a medium-term strategic framework adopted by COP8 through decision FCTC/COP8(16). As requested, this proposed Workplan and Budget is aligned with the Global Strategy and is structured according to its three main strategic goals – and further broken down by the corresponding strategic objectives – and two operational objectives. It is further noted that the Global Strategy will inform the development, implementation and reporting of the Workplan and Budget for the 2020–2021, 2022–2023 and 2024–2025 biennia.
- The proposed work plan and budget is composed of three main Areas of Work:
 1. Accelerating Action
 2. Building international alliances and partnership across sectors and civil society to contribute to WHO FCTC implementation.

3. Protecting the integrity and building on the achievements under the WHO FCTC; and overcoming barriers to the full, effective and sustainable implementation of the WHO FCTC and wider tobacco control efforts

The costs are distributed by work covered by assessed contributions (AC) and work covered by extra-budgetary funds.

Action requested:

The COP is invited to review and consider adopting the proposed work plan and budget for 2022–2023 set out in document FCTC/COP/9/13, and to take note of the detailed information contained in the explanatory note to the work plan and budget, document FCTC/COP/9/INF.DOC./1.

Common position:

Budget, Assessed contributions (AC), Extra-budgetary contributions (EB), Recovery costs:

- We welcome the timely submission of the relevant documentation and the efficiency savings that have been made by the FCTC Secretariat.
- We support that total budget for the period 2022-2023 is US\$ 19 181 119 which represents an overall decrease of 12.75 % compared to the Workplan and Budget for the financial 2020-2021, adopted by COP8.
- We welcome the fact there is no proposed increase in Assessed Contributions (table 2). We also appreciate that in both biennia a total of US\$ 8 800 522 would be covered by AC, which represents zero-nominal growth. In EB funding a 21.86% decrease is expected, in total of US\$ 10 300 597.
- We also support the efforts Secretariat put in exploring the potential savings in order to avoid a future request of an increase in AC, taking into account the impact of the global COVID-19 pandemic on Parties and analysis that has been undertaken which identified a balance of unspent AC.

- We note that some Parties still have not met their responsibilities to pay their ACs under the Treaty.
- We are fully supportive and encourage extra budgetary contributions to support the continuing implementation of the Treaty.
- We note that the initial management and administration costs of the Investment Fund are to be covered with EB;
- We invite the Convention Secretariat to consider means of restoring the pre-Covid situation (prepare a budget for the second and third year after COP) in order to have sufficient time after the approval of the budget for obtaining extra-budgetary contributions, among other factors.

Recovery Costs- explanatory note:

- Through a new methodology introduced in 2016, the General Secretariat as an institution hosted by WHO, is charged recovery costs to ensure full cost recovery and improve the transparency of the approach. Initially payment comes from automatic deduction of programme Support Costs (PSC) that WHO applies to expenditure from EB. When this amount is not sufficient to cover the cost recovery, WHO will deduct the difference from the Protocol and WHO FCTC AC proportionally to the total amount.
- For planning purposes the standard rate of 13% is applied to both AC and EB to ensure sufficient funds are set aside to cover recovery costs after signing the Hosting Agreement in October 2019, it was established that WHO would no longer retain the 13 % from AC. However, the Convention Secretariat would still need to set aside the abovementioned amount to cover potential differences between PSC and the cost recovery.

Table 1

TOTAL PROPOSED BUDGET 2022-2023

	Covered by Assessed Contributions in US\$	Covered by Extra- budgetary funds	Total
1. Activity cost	1 752 594	7 524 193	9 276 787
2. Staff costs	6 106 275	1 591 380	7 697 655
Total direct costs	7 858 869	9 115 573	16 974 442
3. Recovery costs	1 021 653	1 185 024	2 206 677
Grand total	8 880 522	10 300 597	19 181 119

Table 2

**COMPARISON BETWEEN COP WORKPLAN AND BUDGET 2020-2021
AND COP WORKPLAN AND BUDGET 2022-2023**

	Covered by Assessed Contributions in US\$			Covered by Extra-budgetary funds in US\$			Total in US\$		
	2020-2021	2022-2023	Increase (% increase)	2020-2021	2022-2023	Increase (% increase)	2020-2021	2022-2023	Increase (% increase)
Activity cost	2 182 873	1 752 594	-430 279 (-19.71%)	7 408 602	7 524 193	115 591 (1.56%)	9 591 475	9 276 787	-314 688 (-3.28%)
Staff costs	5 605 200	6 106 275	501 075 (8.93%)	4 257 200	1 591 380	-2 665 820 (-62.62%)	9 862 400	7 697 655	-2 164 745 (-21.95%)
Total direct costs	7 788 073	7 858 869	70 796 (0.9%)	11 665 802	9 115 573	-2 550 229 (- 21.86%)	19 453 875	16 974 442	-2 479 433 (- 12.75%)
Recovery costs (13%)	1 012 449	1 021 653	9 204 (0.9%)	1 516 554	1 185 024	-331 530 (-21.86%)	2 529 004	2 206 677	-322 327 (-12.75%)
Grand Total	8 800 522	8 800 522	0 (0%)	13 182 356	10 300 597	-2 881 759 (- 21.86%)	21 982 879	19 181 119	-2 801 760 (- 12.75%)

Staffing:

- The cost of the proposed staff post to be covered by WHO FCTC AC is US\$ 6 106 275, which represents an increase of 8.93% compared to previous biennia. However, the total amount of AC records no increase. This is a consequence of regular increase in staff costs and some changes, namely:
 - Decrease, from 80%/20% to 70%/30%, in the share of co-funding from the COP budget, for the salaries of the Head of the Secretariat, two Team Leads and the Senior Legal Officer. As the number of Parties to the Protocol has now reached one third of the number of the Parties to the WHO FCTC, the Convention Secretariat is proposing, under the guidance of the Bureau, that Protocol AC cover 30% of the costs of senior management positions at the Convention Secretariat.
 - Changing the funding source of three posts, from EB to AC, since they are considered core positions for the Convention Secretariat
- On the other hand the additional proposed staff costs funded by EB, are planned to reach US\$ 1 591 380 which represents a decrease of 62.62% compared to the Workplan and Budget for the financial 2020-2021.
- We think that the proposed total of 28 staff members is small number and can be justified by when compared with other secretariats for a Convention Secretariat that serves two treaties, one with 182 Parties (WHO FCTC) and the other with 63 Parties (Protocol), as of 3 June 2021. The staff plan does not include possible short-term assignments that would be based on actual needs and resources available.
- We feel the need to discuss in detail the proposed shift of 10% of one D2 position and 10% of three P5 positions to the Protocol budget.

- We would appreciate explanations from the Convention Secretariat on to the nature of 50% and 20% positions.
- We would also appreciate explanations from the Convention Secretariat on an increase of the fixed term staff financed with AC by three half-time positions and a sharp decline from 12 to 3.7 positions among the additional staff.
- Table 3 presents Gross Staff Costs Breakdown

Table 3

GROSS STAFF COSTS BREAKDOWN (US\$)³**Fixed-term staff**Biennial costProfessional staff

D2 (one post) (at 70%) ⁴	577 710
P5 (three posts at 70% and one post at 50%) ⁵	1 734 390
P4 (two posts)	1 102 500
P3 (two posts at 100% and one post at 50%)	1 118 250
P2 (one post at 50%)	192 675
Subtotal (11 posts)	4 725 525
General category staff	
G6 (one post)	385 350
G5 (three posts)	995 400
Subtotal (four posts)	1 380 750
Total (15 posts)	6 106 275
Additional staff costs (subject to Extra-budgetary funding, secondments)	
Professional staff	
P5 (one post at 20%)	141 330
P3 (two posts at 100% and one post at 50%)	1 118 250
Subtotal (four posts)	1 259 580
General category staff	
G5 (one post)	331 800
Subtotal (one post)	331 800
Total (5 posts)	1 591 380

Total staff cost**7 697 655**

³ Indicative costs for core Convention Secretariat staff based on WHO's latest available standard gross salary costs for 2020-2021; possible changes in 2022-2023 will be reflected once they become available in a revised staff cost breakdown to be communicated to the Parties by a note verbale. As indicated above, current staff contracts are funded through Assessed Contributions; costs for additional proposed staff positions would be financed through Extra-budgetary Contributions. The fulfilment of the staff plan and possible adjustments will depend on the actual availability of funds and the evolving workload. The staff plan does not include possible short-term assignments and secondments that would be based on actual needs and resources available.

⁴ These positions used to be paid 80% by the COP and 20% by the MOP, since the Protocol Parties have reached one third of the Convention Parties, we are proposing to change these percentages to 70%/30%.

⁵ Same explanation as above.

Travel support for LDCs and LMICs:

- *[fall-back position: The EU remains silent regarding the travel support rules. If other Parties raise this question, the EU will in a first stage propose to harmonize travel support rules with WHO ones. For bargaining purposes, the EU can agree in a second stage with the extension of current rules to COP10.]*
- The budget for COP10 includes (table after para 33):
 - travel support (air tickets and per diem) for one delegate from each of the Parties to the WHO FCTC from least-developed countries (LDCs);
 - travel support (air ticket only) for one delegate from each of the LMIC Parties to the WHO FCTC, in line with the current travel policy for the COP adopted by the Sixth Session of the Conference of the Parties;
 - per diem for one delegate from LMIC Parties if extra-budgetary funds are available;
- The proposed budget includes also cost related to travel support, per diem, interpretation, venue and other local cost for organizing pre-COP regional meetings.
- With regard to necessary arrangements for one Intersessional Working Group on a subject that might be decided by the COP, the budget will be available for two meetings and will include:
 - travel support (air ticket and per diem) for Parties from LDCs;
 - travel support (air ticket only) for Parties from LMICs;
 - travel support (air ticket and per diem);

- interpretation (three languages on average);
 - room rental;
 - documentation; and
 - logistics.
- Travel of the mission team and experts; logistics; document production and translation; and costs for national multisectoral stakeholders' meetings and post-Needs Assessment assistance for activities based on identified needs. In line with previous Needs Assessments, the average cost per Needs Assessment is approximately US\$ 40 000. The budget for this activity also includes travel costs to support Parties in organizing national workshops, and support for relevant activities.

Distribution of costs by areas of the Global Strategy and source of funding is shown in the following table:

- For **Activity Costs**, the proposed budget represents a 19.71% decrease in activity costs covered by AC. This decrease can be explained by the following:
 - In the 2020–2021 Workplan and Budget there were AC allocated for the piloting of the Implementation Review Mechanism.
 - The Convention Secretariat has reviewed the actual expenditures related to the organization of all previous sessions of the COP (since the Third Session, the average cost has been US\$ 1.26 million) and the actual cost of COP8 in Geneva (US\$ 1.46 million) in order to come with the amount proposed for the organization of COP10 (representing a 13% decrease in costing compared to the 2020–2021 Workplan and Budget).

- The EU and its Member States see more space for prioritisation and the Convention Secretariat should be entrusted to decide how the available funds would be distributed across the work plan taking into consideration COP9 decisions.

	Activity cost in US\$		
Area of Work	AC	EB	Total
Strategic Goal 1. Accelerating Action			
Strategic Objective 1.1	0	3 600 000	3 600 000
Strategic Objective 1.2	0	240 000	240 000
Total for Strategic Goal 1		3 840 000	3 840 000
Strategic Goal 2. Building international alliances and partnership across sectors and civil society to contribute to WHO FCTC implementation			
Strategic Objective 2.1	91 975	448 025	540 000
Strategic Objective 2.2	0	115 000	115 000
Total for Strategic Goal 2	91 975	563 025	655 000
Strategic Goal 3. Protecting the integrity and building on the achievements under the WHO FCTC; and overcoming barriers to the full, effective and sustainable implementation of the WHO FCTC and wider tobacco control efforts			
Strategic Objective 3.1	0	200 000	200 000
Strategic Objective 3.2	80 000	2 140 000	2 220 000
Total for Strategic Goal 3	80 000	2 340 000	2 420 000
Operational Objective 1	5 000	64 000	69 000
Operational Objective 2	1 575 619	717 168	2 292 787
Grand Total Activities	1 752 594	7 524 193	9 276 787

On area of work Strategic Goal 1: Accelerating Action

- Strategic Goal 1 entails two Strategic Objectives, they are as follows:
- Strategic Objective 1.1. Give priority to enabling action to accelerate WHO FCTC implementation, including effective forms of technical and financial assistance to support Parties in the identified priority action areas
- Strategic Objective 1.2. Strengthen systems for regularly capturing and sharing lessons and evidence on new, innovative and successful means of implementing tobacco control measures
- The first Strategic Goal will conduct Needs Assessment missions to ensure that priority gaps are identified and urgently addressed, with special emphasis on obligations prioritized by Global Strategy. Additionally, the Convention Secretariat will provide technical assistance to parties for implementation of the WHO FCTC, with priorities from the Global Strategy in the first place. Framework of existing FCTC 2030 project and other means are the basis for delivering the Workplan. Within Strategic Objective 1.2. continued coordination with international and regional organizations as outlined in the Convention and decisions of earlier sessions of the COP are envisaged. It is also foreseen that the Convention Secretariat will continue to coordinate the work of existing Knowledge Hubs. Moreover, it plans to increase the number of Parties that receive assistance. The budget for this strategic goal posits an amount of USD 3 840 000 and is fully covered from EB.

- The EU and its Member States are generally hesitant to establish new Knowledge Hubs (such as the knowledge hub proposed by document FCTC/COP/9/6) as outlined in the section 1.2.2.2 para 15. We are of the opinion that the financial resources should be channelled or redirected in other activities instead. Furthermore, we would like to see justification for establishment of new Knowledge Hubs. From our point of view we should focus more on streamlining the work of existing ones before creating new ones. In this regard we are in favour value for money approach.

Area of work Strategic Goal 2: Building international alliances and partnership across sectors and civil society to contribute to WHO FCTC implementation

- This area of work comprises two Strategic Objectives:
 - Mobilize international, intergovernmental and developmental partners to integrate the WHO FCTC into their work, and/or their SDG responses and
 - Catalyse and leverage the contributions of external stakeholders, particularly civil society, to achieve the aims of the Convention
- In the first strategic objective foresees development and implementation of an operational plan on international cooperation that will include arrangements with IGO and NGO observers to the COP. Some planned activities include:
 - Establishing a regular coordination mechanism with WHO at all three levels.
 - Attending the Annual sessions of the WHA and the WHO committees and meetings.
 - Enhance coordination with the other offices of the UN Secretariat.
 - The budget for this strategic objective posits an amount of USD 540 000 (91 975 from ACs and 448 025 from extra-budgetary funding).

- The second strategic objective entails activities performed by the Convention Secretariat for leveraging opportunities at meetings and events set up by civil society. Convention Secretariat also plans to organize at least two meetings a year with NGOs to promote engagement with civil society. The budget for this strategic objective posits an amount of USD 115 000, fully covered by extra-budgetary funds.
- The budget for this strategic goal posits an amount of USD 655 000 (USD 91 975 from ACs and USD 563 025 from extra-budgetary funds).
- The EU and its Member States wish to stress their opinion that some additional savings could be made within strategic objective 2.2 "Catalyse and leverage the contributions of external stakeholders, particularly civil society, to achieve the aims of the Convention"
- We invite the Secretariat to clarify the importance of budget line 2.1.5.1 "Continue implementation of the Corporate Communications Strategy"

Area of work Strategic Goal 3: Protecting the integrity and building on the achievements under the WHO FCTC; and overcoming barriers to the full, effective and sustainable implementation of the WHO FCTC and wider tobacco control efforts

- This area of work includes two Strategic Objectives:
 - Improve the governance and administrative mechanisms of the WHO FCTC to ensure that all WHO FCTC-related activities undertaken are prioritized, effective and sustainable, and insulated from any influence by the tobacco industry
 - Support and encourage Parties in their efforts to remove barriers to country-level tobacco control efforts

- In the first strategic objective aligning agendas, workplans and budgets of the COP with the Global Strategy is foreseen along with development and operation of and Implementation Review Mechanism for the WHO FCTC. The budget for this strategic objective posits an amount of USD 200 000, fully covered by extra-budgetary funding.
- Second Strategic Objective entails technical assistance to at least 10 Parties by the Convention Secretariat, upon request. Convention Secretariat will work with Knowledge Hub for Article 5.3 of the WHO FCTC to oversee and support the work of existing observatories and advise the Parties that would like to engage in tobacco industry monitoring. Objective includes also Parties' obligation to report progress made in the implementation of the treaty. The budget for this strategic objective posits an amount of USD 2 220 000 (USD 80 000 from ACs and USD 2 140 000 from extra-budgetary funds).
- The budget for this strategic goal posits an amount of USD 2 420 000 (USD 80 000 from ACs and USD 2 340 000 from extra-budgetary funds).
- EU should invite the Secretariat to clarify whether a decision is expected at COP9 to launch the IRM, taking into account that the proposed workplan and budget for 2022-23 contains the line 3.1.2.1 “Develop and operate an Implementation Review Mechanism (IRM) for the WHO FCTC (if approved by COP9)”, while no decision is foreseen in document FCTC/COP/9/11,

Operational Objective 4.1. Sustainable Funding - Manage the finances of the Convention to maximize its efficiency and effectiveness and find new revenue streams to support WHO FCTC implementation activities

- This Operational Objective aims to ensuring new sources of funding for Convention Secretariat's activities in support of the implementation by Parties of the WHO FCTC. In addition, the Convention Secretariat plans to continue implementing the fundraising strategy adopted by the Seventh Session of the COP through Decision FCTC/COP7(25).

- The budget for this Operational Objective posits an amount of USD 69 000 (USD 5 000 from ACs and USD 64 000 from extra-budgetary funds).
- Without any specific comments from the EU and its Member States.

Operational Objective 4.2. Operational Effectiveness - Promote optimal operation of the COP and the capacity and ability of the Convention Secretariat to provide support to the COP and to the Parties in their implementation, monitoring and reporting work

- This Operational Objective ensures that Convention Secretariat properly performs its duties at an optimal level and also secures availability of material resources and services. The work includes also support to the governing bodies, convening and supporting activities related to COP9 and the Bureau elected by COP9. Expenditure for COP10 is based on previous sessions. This operational objective also includes organizing the meetings of any working or expert group established or maintained by COP, in the case at hand the meetings of the Expert Group established in accordance with decision FCTC/COP8(21).
- The budget for COP10 includes also travel support (air tickets and per diem) for one delegate from each of the Parties to the WHO FCTC from least-developed countries (LDCs); travel support (air ticket only) for one delegate from each of the LMIC Parties to the WHO FCTC, in line with the current travel policy for the COP adopted by the Sixth Session of the Conference of the Parties.
- The budget for this Operational Objective posits an amount of USD 2 292 787 (USD 1 575 619 from ACs and USD 717 168 from extra-budgetary funds).

- The EU and its Member States will reserve comments on the creation or extension of any working groups until Committee A has concluded its deliberations. However, we would like to be clear that we will scrutinise the costs of all future work carefully. In this respect, we invite the Secretariat to explain budget lines 4.2.5 and 4.2.6 as there is no indication in the agenda that a further working group or expert group would be set up.
- FCTC/COP/9/5 Global progress in implementation of the WHO FCTC mentions that the Bureau mandated the Convention Secretariat to explore how to improve the reporting system of the WHO FCTC and to report on the issue to COP10. We invite the Secretariat to provide information under which budget line this work will be conducted.

Agenda item 6.3

Payment of the assessed contributions and measures to reduce Parties in arrears (FCTC/COP/9/14)

Common Position

The EU and its Member States:

- welcome that despite financial and practical challenges created by the COVID-19 pandemic and in response to many actions taken by the Convention Secretariat to encourage the payment of AC, some Parties have paid their AC and cleared their arrears.
- welcome the Convention Secretariat's actions taken to reduce Parties in arrears;
- note that the actions will have to be continued, given that the total amount of outstanding AC increased from USD 506,110 to USD 596,634, with only one Party less in areas (down to 59 from 60), as compared to the figures reported during COP8;
- call on Parties to fulfil their financial commitments to the Convention and would like to encourage all Parties with outstanding ACs to make their contribution in accordance with the Treaty as soon as possible.
- call on Parties to actively cooperate with the Convention Secretariat in finding ways to make payments of AC;

- support further non-application of the measures indicated in Article 2 of the Draft Decision regarding the loss of eligibility of the Party in question to hold elected position and suspension of Parties' entitlement to voting rights for Parties in arrears or without proper plan for making payments to clear the arrears, but request to delete the reference to the COVID-19 pandemic or request to change the reference only to the initial phase of the pandemic;
- ask for the replacement of “at the beginning of the biennium” with “**at the beginning of the last trimester of the biennium**” in Article 1 of the Draft Decision ⁶.

⁶ *[This suggested change might however be used as bargaining chip in negotiations on other agenda items.]*

Agenda item 6.4

Convention Secretariat's fundraising strategies: Investment Fund concept (Doc. FCTC/COP/9/ INF.DOC./2)

The common position on this Agenda item is set out in document 13022/21.

Agenda item 6.5

Review of accreditation of nongovernmental organizations with the status of observer to the Conference of the Parties (FCTC/COP/9/16)

Common Position

The EU and its MS

- would like to thank the Convention Secretariat for preparing this report after having conducted the survey in accordance with decision FCTC/COP6(23).
- would like to highlight that all 21 NGOs with observer status to the COP responded to the survey of the Convention Secretariat, including one NGO that did not reply in time during the previous reporting cycle. No conflicts of interest were declared in any of the NGO reports.
- can support the draft decision after which the observer status of 21 NGOs be maintained.

Agenda item 6.6

Strengthening synergies between the Conference of the Parties and the World Health Assembly: report by the WHO Director-General on resolutions and decisions of the Seventy-second, Seventy-third and Seventy-fourth World Health Assembly

(FCTC/COP/9/17)

Common Position

The EU and its MS

- note the report by the WHO Director-General on the outcomes of the Seventy-second, Seventy-third and Seventy-fourth World Health Assembly and WHO Regional Committees as relevant to the implementation of the WHO FCTC.
- welcome the opportunity to be updated on the resolutions taken by the WHA.

**Proposal for a DRAFT COP9 Declaration on WHO FCTC and recovery from
the COVID-19 pandemic**

Common Position

The EU and its MS

- thank the Islamic Republic of Iran for proposing a declaration on WHO FCTC and Covid-19 pandemic recovery.
 - while we acknowledge that the agenda of COP9 had to be abridged, we support its statements and proposed actions.
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