

CSM preliminary contributions for the CFS Sustainable Funding Meeting 9 March 2017

1) Regarding the budget:

- The budget should reflect the **CFS in its totality**, not just the secretariat, plenary, and inter-sessional workstream components. As discussed by the Bureau and Advisory Group, the HLPE and CSM should also be covered.
- The budget should build on a **realistic ambition** for the CFS. The first question therefore is: what are the priorities of the CFS for the next biennium, and what resources are needed to achieve them? In this regard, the discussion on budget issues cannot be disassociated from the discussion on MYPoW.
- Additionally, the **budget composition** should also take into account the repeated **demands and elements mentioned by several members and participants**. These include: improved translation and interpretation services for the CFS; the possibility of a larger negotiation process in the future; and the need for increased efforts and resources for a better use and application of CFS outputs.
- In this regard, the **budget should be calculated on a base line** that reflects the necessary amount to fulfil both the identified priorities of the political agenda and an inclusive participatory process. The base line will not vary much from the previous years, thus oscillating between USD\$ 5 and 6 million per year.
- When composing the budget, the **utmost possible transparency** should be ensured, which implies the need for more complete and precise information on the following:
 - **Costs broken down according to the five components:** CFS secretariat, plenary, varied intersessional activities, HLPE and CSM.
 - The **source of all funding contributions with a clear indication of the amount**, whether or not they are earmarked for a specific activity, and if so, **for which activity**.
 - **Clarity on the decision-making processes** within the Secretariat and the Bureau regarding the **setting of priorities during the negotiation and earmarking of funds**.
- **The large budget gap for the HLPE and CSM is still of much concern.** We are particularly troubled by the HLPE deficit, as this will not allow for a participatory and inclusive deliberation and negotiation process on the forests and nutrition reports, should these not be translated in 2017.

2) Regarding the funding mechanism:

We propose that the **CFS funding mechanism build on the following criteria:**

- There must **renewed and shared commitment** of all members and participants;
- Each one **contributes based on their possibilities**;
- The CFS should **not depend on a few donors** or on a single region;
- Funding should be sustainable, **long-term and predictable**;
- The CFS funding mechanism must respect and guarantee the MYPoW implementation in its totality, therefore **contributions should not be earmarked for a single theme or workstream**;
- The funding mechanism should be financed by national and international **public funds**.

In line with these criteria, which we hope will be acceptable to all CFS members, **we suggest that the financing mechanism be essentially composed of two main elements:**

- **Members' contributions**

- **Rome-based Agencies' Contributions**

Options b) and c) for the document prepared for this meeting mention this approach, however, the document does not elaborate on the implications in terms of advantages, risks and feasibility.

We are convinced that in order to ensure renewed and strengthened commitment to the CFS, **a mixed/combined method of contributions from CFS members and RBAs would be valuable.**

Regarding the RBAs, the following two options could be considered:

- one option would be to **increase the current contribution** of USD\$ 2 million to USD\$ 3 million for instance, which would amount to a yearly increase of USD\$ 300.000 from each of the three RBAs.
- a second option would be to **maintain the current level of contributions** of the three RBAs.

Regarding the members' contributions: The voluntary contributions of CFS members could be calculated based on the **UN Scale of Assessments**, in a similar manner to budget system applied to the International Treaty on Plant Genetic Resources for Food and Agriculture. The contributions of CFS member states could be calculated based on the remaining part of CFS budget, which could vary between USD\$ 2,5 and 3,5 million, depending on the RBAs' contribution.

Based on an annual budget average of USD\$ 5,5 million, in practical terms, the following case-scenarios for the two options could be further developed:

Option 1: USD\$ 2,5 million financed by the members
USD\$ 3 million financed by RBAs

Option 2: USD\$ 3,5 million financed by the members
USD\$ 2 million financed by RBAs

Both options would be compliant with the criteria described above. Other similar options could also be considered.

3) Proposal for follow-up:

We propose to develop the options that stem from this meeting, **taking into account the implications, advantages, risks and feasibility.**

We suggest that the Bureau and Advisory Group discuss the case-scenarios of the different options during the next joint meeting on the 3rd of May 2017.