

CODEX ALIMENTARIUS COMMISSION



Food and Agriculture
Organization of the
United Nations



World Health
Organization

Viale delle Terme di Caracalla, 00153 Rome, Italy - Tel: (+39) 06 57051 - E-mail: codex@fao.org - www.codexalimentarius.org

Agenda Item 10

CX/CAC 23/46/23

November 2023

JOINT FAO/WHO FOOD STANDARDS PROGRAMME

CODEX ALIMENTARIUS COMMISSION

Forty-sixth Session

Codex Budgetary and Financial Matters: Progress 2022-2023 and Proposal 2024-2025

(Prepared by the Codex Secretariat)

INTRODUCTION

1. In accordance with Rule XIII.1 of the Commission's Rules of Procedure, the Secretariat reports on the expenditure for the biennium 2022-23, which is based on past expenditure and on the proposed programme of work of the Codex Alimentarius Commission (CAC) and its subsidiary bodies.
2. The present document contains a report on expenditure for the calendar year 2022 and provides an estimate of expenditure for 2023. It also contains a budget proposal for 2024-25.
3. This report is focused on the regular budget for CAC (in charge of implementing the Joint FAO/WHO Food Standards Programme). However, the Codex system additionally relies on:
 - i. The provision of scientific advice from expert bodies of FAO and WHO;
 - ii. FAO and WHO capacity building activities related to Codex at national and regional levels;
 - iii. The FAO and WHO Project and Fund for Enhanced Participation in Codex (Codex Trust Fund, CTF);
 - iv. Members providing staff secondments to the Codex Secretariat;
 - v. Members acting as hosts for Codex Committees, Task Forces and working groups (providing interpretation, translation, Chairperson, a local secretariat and venues in the case of physical meetings);
 - vi. Members operating their national Codex structure (Codex Contact Points and National Codex Committees) and bearing the cost of the participation of their delegates, and where relevant the cost of elected officials (Chairperson and Vice-Chairpersons of the CAC and the Executive Committee of CAC (CCEXEC), CCEXEC Members elected on a geographical basis, and designated regional coordinators) in Codex meetings; and
 - vii. Contributions by FAO and WHO to Codex work and work management, including technical guidance and legal and communication services.

REPORT ON EXPENDITURE (2022-23)

4. **Table 1** shows a detailed breakdown of the budget for the biennium 2022-23 and the Secretariat's regular programme expenditure in 2022 and 2023, broken down by cost type.

Table 1: Regular programme budget 2022-23 and expenditure 2022-23 by cost type (USD thousands)

COST TYPES	Budget 2022–23	Expenditure 2022	Expenditure 2023*	Total Expenditure 2022-23
STAFF	4 595	2 504	2 346	4 850
OTHER HUMAN RESOURCES & CONTRACTS ¹	1 100	923	680	1 603
INTERNAL COMMON SERVICES ²	1 700	1 040	1 014	2 054
TRAVEL	630	78	330	408
OTHER OPERATING EXPENSES ³	850	160	300	460
TOTAL	8 875	4 705	4 670	9 375

*figures as of September 2023

53%

53%

5. Overall, 53% percent of the 2022-23 budget was spent in 2022. A description of the main budget lines is reported below:

- i. Staff costs were higher than budgeted mainly due to a temporary professional position hired to support a major IT project.
- ii. Other Human Resources & Contracts included costs for translation and interpretation that could not be handled by FAO internally (under Internal Common Services). This line also included expenditures related to the Codex IT renewal project, started in 2021 in collaboration with the FAO IT division. This project addressed long-standing IT infrastructure issues that posed serious risks of data loss, including renewal of its servers and transfer of data repositories to the cloud. Consultants are assisting with this initiative, including web development, communication and design, and training. The project ended in July 2023, however there are ongoing costs that will remain related to licensing, hosting and maintenance. This is in line with Goal 5 of the Codex Strategic Plan 2020-2025 which includes enhancement of work management systems. This budget line also included work related to the implementation of Goal 3 of the Codex Strategic plan to increase impact through the recognition and use of Codex Standards, in particular, work undertaken on the development of a mechanism to monitor the use and impact of Codex texts.
- iii. The budget for Internal Common Services (interpretation and translation) in 2022 was USD 850,000. Codex spent about USD 1,040,000. Higher interpretation and translation costs were due to inflation as well as some organizational aspects of meetings which lead to increased interpretation costs such as holding meetings with both in-person and virtual dimensions and/or with an increased number of days, assisting Members to maintain translation and interpretation levels during the transition out of the pandemic.
- iv. Travel and Other Operating Expenses were lower than budgeted in 2022, because a large part of Codex Committees took place virtually during 2022.

6. Expenditures in 2023 are progressing according to the Codex Work Plan. A description of the main budget lines is reported below:

- i. Staff costs were higher than budgeted in 2023 due to inflation and a few promotions of General Services staff as a result of the FAO job growth exercise. This was offset by the vacancy of the Codex Secretary position since mid-September 2023.
- ii. Other human resources and contracts: This line includes work to support the implementation of the Codex Strategic Plan 2020-2025 as well as recurring costs related to translation and interpretation, as well as IT infrastructure. Costs related to the editing and publication of Codex texts are also included under this line.

¹ Including consultants, interns, contracts with external service providers and overtime of general service staff.

² Including translations, interpretation, and printing serviced by FAO headquarters.

³ Including data processing equipment, furniture, stationery, costs for rental of external premises, general overhead expenses, contingency and operating costs.

- iii. Internal common services include translation and interpretation costs handled internally by FAO. Codex has had an increase of interpretation and translation costs as indicated in paragraph 5.iii. FAO granted a one-time special allocation to cover these expenses in 2023.
- iv. Travel expenses returned to pre-pandemic levels in 2023 with the resumption of physical meetings for Codex Committees.

BUDGET PROPOSAL 2024 - 2025

7. In accordance with Rule XIII.2 of the Commission's Rules of Procedure, the estimate of expenditure shall make provisions for the operating expenses of the Commission and the subsidiary bodies of the Commission established under Rule XI.1(a) and XI.1 (b) (ii) and for the expenses relating to staff assigned to the Programme and other expenditures incurred in connection with the serving of the latter.

8. While the Codex Secretariat will continue to identify efficiency savings, the Budget should remain sufficiently flexible that savings in one area can be allocated to other aspects of Codex work, in line with the Codex Strategic Plan. Expenditures in the 2024-25 biennium will be in line with the set objectives of the Codex Strategic Plan 2020 - 2025, for which the activities undertaken are regularly reported upon in the paper on SP implementation.

9. The proposed budget for the biennium 2024-25 is shown in Table 2. The FAO and WHO contributions are subject to approval by their respective governing bodies in 2023. The budget is based on the following assumptions for major cost accounts:

- i. Annual sessions of the Codex Alimentarius Commission will be held physically with possibility of remote participation;
- ii. Two annual sessions of the Executive Committee are envisaged with at least one physically;
- iii. Other subsidiary bodies, including Coordinating Committees, are expected to meet at least once in the course of the biennium, the format and timing being subject to the prevailing conditions resulting in around 20 technical Codex sessions;
- iv. Most subsidiary bodies are returning to physical meetings, some with the possibility of remote participation. While trying to limit travel costs, the Secretariat will travel to sit together with the Chairperson and host Secretariat;
- v. Flexibility between the budget lines indicated in Table 2 should remain to ensure work continuity;
- vi. The current online tools to facilitate Codex work will be fully maintained with ongoing capacity development to support Member and Observer engagement. Additional work on upgrading databases will also be carried-out; and
- vii. Events/publications will take place/be issued in addition to the communication activities of the Codex secretariat to increase awareness of Codex work and related standards.

Table 2: Budget proposal 2024-25 (USD thousands)

Contributing Agency	Contribution 2024-25
FAO Contribution	7 150
WHO Contribution	1 725
Total Contribution	8 875
Cost Type	Budget 2024-25
Staff	4 524
Other Human Resources and Contracts ⁴	1 576
Internal Common Services ⁵	1 700
Travel	630
Other Operating Expenses ⁶	445
Total Budget	8 875

⁴ Including consultants, interns, contracts with external service providers and overtime of general service staff.

⁵ Including translations, interpretation, and printing serviced by FAO headquarters.

⁶ Including data processing equipment, furniture, stationery, costs for rental of external premises, general overhead expenses, contingency and operating costs.

10. Any new cost-intensive activities arising from emerging needs to better implement the Codex Strategic Plan 2020 – 2025 may have to be accommodated under the Codex Strategic Plan 2026-2031 and the budget for the biennium 2026-27.

11. As no savings are foreseen in the 2024-25 biennium, Codex is seeking extra-budgetary contributions to support work under Goal 3 on recognition and use of codex texts. Additional resources will be required to support the ongoing project to increase accessibility to Codex texts in the 6 official languages, which are estimated at about USD 1.5 Million over a period of 5 years. Also, to continue and expand work on monitoring the use and impact of Codex texts, extra-budgetary resources will also be required.