

codex alimentarius commission

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FOOD AND AGRICULTURE
ORGANIZATION
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Agenda Item 9

JOINT FAO/WHO FOOD STANDARDS PROGRAMME

CODEX ALIMENTARIUS COMMISSION

Thirtieth Session

FAO Headquarters, Rome (Italy), 2 - 7 July 2007

FINANCIAL AND BUDGETARY MATTERS

BACKGROUND

1. In accordance with Rule XIII.1 of the Commission's Rules of Procedure, the Secretariat submits an estimate of expenditure based on the proposed programme of work of the Commission and its subsidiary bodies, together with information concerning expenditures for the previous financial period. 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 servicing of the latter. The present document provides information on the budget for the current period (2006-07) and the proposed budget for the biennium 2008-09. The information on expenditures in the previous budget period (2004-05) was presented to the 29th Session of the Commission¹.

2. It should be noted that as regards the budgetary and accounting arrangements, beginning with the biennium 2002-03, the Joint FAO/WHO Food Standards Programme was managed within the FAO Regular Programme as Entity 221P2, with the WHO contribution to the Programme as external income. Subsequent to Resolution 6/2005 adopted by the 33rd Session of the FAO Conference (November 2005)², a new chapter structure was introduced to the FAO's Programme of Work and Budget and Programme Entity 221P2 was renamed to 2DP03.

¹ ALINORM 06/29/9

² The Report of the Conference of FAO (C 2005/REP) (http://www.fao.org/unfao/bodies/conf/c2005/c2005_en.htm)

BUDGET FOR 2006-07

3. Resources for the biennium 2006-07 comprised the FAO contribution (listed in Programme Entity 2DP03 in FAO's Revised Programme of Work and Budget 2006-07) and the WHO contribution for the same period. They are shown in Table 1 (Annex).

4. In addition to the contribution from the Regular Budget, WHO has contributed the costs of a WHO staff member assigned to the Codex Secretariat as a Senior Food Standards Officer since February 2005. Furthermore, FAO has two professional staff members, seconded from Member States, who are assigned to the Codex Secretariat as Food Standards Officers.

BUDGET PROPOSALS FOR 2008-09

5. At the time of preparation of the present document, FAO's budget for 2008-09 has not been approved by its governing bodies. FAO's organization-wide budgetary level will be determined by the 34th Session of the FAO Conference (November 2007). As regards WHO, the Organization's budget proposals have been approved by the 60th Session of the World Health Assembly (May 2007).

6. The overall funding level of the proposed Codex budget for 2008-09, based on the proposed budget level in FAO³ and on the expected level of the WHO contribution, is summarised in the second and third columns of Table 2A. To obtain an estimate of the expenditures 2008-09 with cost increases for Entity 2DP03, the cost increase rates of 16.2% for personnel service and of 3.2% for non staff were applied, in accordance with the FAO Summary Programme of Work and Budget 2008-09⁴. Incremental requirements related to the inclusion of Russian as an FAO language are discussed in paragraph 9.

7. A significant portion of the Codex budget supports: the organisation of the sessions of the Commission and its Executive Committee, which are directly managed by the Codex Secretariat; the servicing of the sessions of the subsidiary bodies, for which the Codex Secretariat provides session secretaries and assists host governments in the preparation of meetings; and the convening of the meetings of FAO/WHO Coordinating Committees, of which the Codex Secretariat covers interpretation and translation costs. The budgetary need therefore has a strong link with the biennial session schedule of the Commission. While more than one session planning scenario is conceivable (see also ALINORM 07/30/9A), the budget proposals for 2008-09 as presented in Table 2 (Annex) are based on the following session planning scenario:

- The Codex Alimentarius Commission will hold two (i.e. annual) sessions during the 2008-09 biennium;
- The Executive Committee will hold three sessions during the 2008-09 biennium; and
- The other subsidiary bodies, including the FAO/WHO Regional Coordinating Committees, will basically maintain the same meeting intervals as in the 2006-07 biennium.

8. The proposed budget also assumes that the cost reduction measures taken in the 2006-07 biennium (e.g. replacement of hardcopy distribution of Codex documents by electronic distribution, publication of the Codex Alimentarius in CD-ROM) will be maintained.

9. The 34th FAO Conference (November 2007) is expected to consider whether to adopt Russian as an FAO language. Should the FAO Conference so decide, then the Russian language, being already an official language of WHO, would come to satisfy the condition set out in Paragraph 1, Rule XIV of the Commission's Rules of Procedure. If the Codex Alimentarius Commission decides to adopt Russian as a language of the Commission, similar to the way that Chinese and Arabic are currently supported (i.e. Russian would become a language for the sessions of the Commission and the FAO/WHO Coordinating Committee for Europe (CCEURO) but not for other subsidiary bodies), the additional costs for 2008-09 – based on 2006-07 cost – are estimated at US\$ 156,000 (US\$ 68,000 for each Commission session and US\$ 20,000 for one CCEURO session).

³ A budget at the same level as the approved 2006-07 budget, adjusted for cost increases and certain identified incremental requirements such as for the inclusion of Russian as an FAO language.

⁴ CL132/3 SPWB 2008-09

10. Table 2B (Annex) incorporates the additional costs of Russian language under the abovementioned conditions.

11. Additionally, the Commission's attention is drawn to the discussion held during the 17th Session of the FAO/WHO Coordinating Committee for Africa (CCAFRICA), where some delegations stated that Portuguese should become a working language of CCAFRICA. Reference was made to the decision of the 33rd Session of the FAO Conference (November 2005), to approve the provision of simultaneous Portuguese interpretation in future FAO Regional Conferences for Africa, having considered the recommendation made by the Twenty-third Session of the FAO Regional Conference for Africa, as well as the estimated cost related thereto. It was stated that Portuguese was one of the working languages of the WHO Regional Committee for Africa. In this regard, the Coordinating Committee was advised that the Rules of Procedure of the Commission required that the languages of the Commission were to be determined by the Commission from among the working languages of both FAO and the Health Assembly of WHO, and in all circumstances, from among the working languages either of FAO or of the Health Assembly of WHO.⁵ If the Commission decides to add Portuguese as a language of simultaneous interpretation (but not of documentation) in CCAFRICA, additional costs for 2008-09 are estimated at US\$ 16,500, based on 2006-07 costs.

12. The respective contributions of FAO and WHO to the Codex Budget in Tables 2A and 2B are based on the assumption that the contribution ratio in the Codex budget 2006-07 (82.4%:17.6%) will be maintained in 2008-09.

13. The Commission may wish to note that in addition to the Regular Budget estimates, WHO is expecting to continue to contribute the service of a WHO staff member assigned to the Codex Secretariat throughout the biennium. Similarly, FAO is expecting further support for the Codex Secretariat through the secondment of two professional officers.

14. The Commission is invited to note the estimate of the expenditure for 2008-09 and make any recommendations to the Directors-General of FAO and WHO in this regard. The final Codex budget for 2008-09 and the corresponding level of Codex activities will be dependent on the decisions of the Directors-General of FAO and WHO, in light of the guidance of the governing bodies of FAO and WHO and the recommendations of the present session of the Codex Alimentarius Commission.

⁵ ALINORM 07/30/28 paras 36-37

ANNEX

BUDGET TABLES

Table 1: Budget for 2006-07 - Combined Accounts (US\$'000)

Account Description	Initial Budget Proposals at 28 th Session of Codex Commission ⁶	Revised PWB 2006-07 Phase II
FAO Contribution	5,722 (82.4%)	5,720 (82.4%)
WHO Contribution	1,225 (17.6%)	1,225 (17.6%)
TOTAL CONTRIBUTIONS	6,947 (100%)	6,945 (100%)
Salaries Professional	2,129 [30.6%]	2,161 [31.1%]
Salaries General Service	988 [14.2%]	986 [14.2%]
Staff Costs	3,117 (44.9%)	3,147 (45.3%)
Other Human Resources ⁷	531 [7.6%]	484 [7.0%]
General Expenses ⁸	270 [3.9%]	225 [3.2%]
Non Expendable Equipment ⁹	111 [1.6%]	113 [1.6%]
Chargeback ¹⁰	2,227 [32.1%]	2,279 [32.8%]
Travel	691 [9.9%]	697 [10.0%]
Non-Staff Costs	3,830 (55.1%)	3,798 (54.7%)
TOTAL ESTIMATED COSTS	6,947 (100%)	6,945 (100%)

⁶ Programme of Work 2006-07 ZRG Proposal, as presented in ALINORM 05/28/9, Table 1

⁷ Includes consultants, contracts and the overtime of the General Service staff.

⁸ Includes expendable equipment, general operating expenses, general overhead expenses and hospitality.

⁹ Includes data processing equipment and furniture.

¹⁰ Includes temporary assistance, translation, interpretation and printing serviced by the relevant units of the FAO Headquarters.

Table 2A. Codex Budget 2008-09 (US\$ '000)
(Without the addition of the Russian language)

Account Description	Proposal (without cost increase)	Proposal (with estimated cost increase)
FAO Contribution	5,720 (82.4%)	6,243 (82.4%)
WHO Contribution	1,225 (17.6%)	1,333 (17.6%)
TOTAL CONTRIBUTIONS	6,945 (100%)	7,576 (100%)
Salaries Professional	2,161 [31.1%]	2,511 [33.1%]
Salaries General Service	983 [14.2%]	1,142 [15.1%]
Staff Costs	3,144 (45.3%)	3,653 (48.2%)
Other Human Resources	484 [7.0%]	499 [6.6%]
General Expenses	225 [3.2%]	232 [3.1%]
Non-expendable Equipment	134 [1.9%]	138 [1.8%]
Chargeback	2,261 [32.6%]	2,333 [30.8%]
Travel	697 [10.0%]	719 [9.5%]
Non-Staff Costs	3,801 (54.7%)	3,923 (51.8%)
TOTAL ESTIMATED COSTS	6,945 (100%)	7,576 (100%)

Table 2B. Codex Budget 2008-09 (US\$ '000)
(With the addition of the Russian language)

Account Description	Proposal (without cost increase)	Proposal (with estimated cost increase)
FAO Contribution	5,851 (82.4%)	6,375 (82.4%)
WHO Contribution	1,250 (17.6%)	1,362 (17.6%)
TOTAL CONTRIBUTIONS	7,101 (100%)	7,737 (100%)
Salaries Professional	2,161 [31.1%]	2,511 [32.5%]
Salaries General Service	983 [14.2%]	1,142 [14.8%]
Staff Costs	3,144 (44.3%)	3,653 (47.2%)
Other Human Resources	513 [7.2%]	529 [6.8%]
General Expenses	225 [3.2%]	232 [3.0%]
Non-expendable Equipment	134 [1.9%]	138 [1.8%]
Chargeback	2,388 [33.6%]	2,464 [31.8%]
Travel	697 [9.8%]	719 [9.3%]
Non-Staff Costs	3,957 (55.7%)	4,084 (52.8%)
TOTAL ESTIMATED COSTS	7,101 (100%)	7,737 (100%)