

December 2003

codex alimentarius commission



FOOD AND AGRICULTURE
ORGANIZATION
OF THE UNITED NATIONS

WORLD
HEALTH
ORGANIZATION



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Agenda Item 3

JOINT FAO/WHO FOOD STANDARDS PROGRAMME

EXECUTIVE COMMITTEE OF THE CODEX ALIMENTARIUS COMMISSION

Fifty-third Session, WHO Headquarters, Geneva, 4-6 February 2004

FAO/WHO PROJECT AND FUND FOR ENHANCED PARTICIPATION IN CODEX

THIRD PROGRESS REPORT

INTRODUCTION

1. This is the third progress report submitted to the Executive Committee by the FAO/WHO Consultative Group for the Project and Fund. The first progress report 1 was submitted to the 51st session of the Executive Committee and the 25th (Extraordinary) Session of the Commission in February 2003. The second progress report 2 was submitted to the 52nd Session of the Executive Committee and the 26th Session of the Commission in June-July 2003.
2. The Consultative Group, which met on 27-28 October 2003 in Geneva, reviewed all the comments made by the Executive Committee at its 52nd Session and the Commission at its 26th Session, as well as those made at an informal meeting held with interested parties on the occasion of the latter session of the Commission in June 2003.
3. It is proposed to provide the Executive Committee with detailed progress reports on a regular basis. The main items for consideration by the 53rd Session of the Executive Committee are described below.

CRITERIA FOR ELIGIBILITY OF COUNTRIES

4. For ease of reference, the basic criteria described in the second progress report submitted in June-July 2003 to the Commission are attached to this document as *Annex 1*.
5. In order to reflect the views expressed at the Commission pertaining to the use of the World Bank classification, in view of the desirability of taking into account other factors than those purely economic in nature, the three official lists classifying countries produced within the United Nations system were reviewed,

¹ ALINORM 03/25/4

² ALINORM 03/26/12

namely the list of Least Developed Countries established by the United Nations Economic and Social Council in 2000, the World Bank classification of economies for the year 2004 and the UNDP Human Development Index for 2003.

6. *Least Developed Countries (LDCs)*. The current list of LDCs is the result of the most recent triennial review which took place in 2000. According to this review, a country qualified to be added to the list if it met three criteria related to low income, human resource weakness and economic vulnerability, and did not have a population greater than 75 million.

7. *World Bank classification of economies for the year 2004*. Economies are divided among income groups according to 2002 GNI per capita, calculated using the World Bank Atlas method. The groups are: low-income (LIC), \$735 or less; lower middle income (LMC), \$736-2 935; upper middle income (UMC), \$2 936-9 075; and high income, \$9 076 or more.

8. *Human Development Index 2003 (HDI)*. The HDI is a summary measure of human development. Countries are divided into low human development (LHD), medium human development (MHD) and high human development (HHD). The index measures the average achievements in a country in three basic dimensions of human development:

- A long and healthy life, as measured by life expectancy at birth.
- Knowledge, as measured by the adult literacy rate (with two-thirds weight) and the combined primary, secondary and tertiary gross enrolment ratio (with one-third weight).
- A decent standard of living, as measured by GDP per capita (PPP US\$).

9. A comparative analysis was made of the placement of Codex Member States according to these three lists. The results were considered by the Consultative Group, having regard to the fact that not all countries appear in each of the lists. Therefore the Group proposes to use a list which combines all three (Annex 2). Only Codex Member States are listed. Developing countries are divided into three groups, two of which are further subdivided, as follows.

Group 1A	Least Developed Countries
Group 1B	Other low income countries, listed either as LIC by the World Bank or LHD by UNDP
Group 2	Countries listed either as LMC by the World Bank or MHD by UNDP
Group 3A	Countries listed both as UMC by the World Bank and MHD by UNDP
Group 3B	Countries listed as UMC by the World Bank

10. All other Codex Member States not listed in Annex 2 are either “high income OECD” or “other high income” according to the World Bank, and in the high human development category.

MANAGEMENT OF THE PROJECT AND FUND

11. *Annex 3* provides a summary of items related to the management of the Fund which have already been described in the second progress report. Further proposals are made below.

Indicative distribution of funds

12. Further to the discussions at the 26th Session of the Commission, and in view of the proportion of eligible countries within each Group, a revised distribution is proposed in *Table 1*.

Table 1. Proposed indicative distribution of financial resources according to outputs

<i>Output</i>	<i>Group 1</i>	<i>Group 2</i>	<i>Group 3</i>	<i>Percentage of total funds</i>
I*	40%	15%	5%	60%
II	15%	12%	3%	30%
III	5%	3%	2%	10%
Totals	60%	30%	10%	100%

* Also includes activities designed to help countries to meet the basic criteria for participation.

13. On the assumption of the availability of \$500 000, the indicative distribution of funds among the three groups would be: Group 1, \$300 000; Group 2, \$150 000; Group 3, \$50 000.

Matching requirements

14. *Table 2* proposes an indicative scale to be used as a guide when establishing a matching plan in consultation with beneficiary countries (see *Annex 3*). The envisaged model is for example to match a participant paid by the Trust Fund and a participant paid by the country. Hence the limitation of the scale to percentages of 0, 50 and 100.

Table 2. Proposed indicative matching scale

<i>Country groups</i>	<i>Year</i>							
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
<i>1</i>	0%	0%	0%	0%	0%	50%	50%	100%
<i>2</i>	0%	0%	0%	50%	50%	100%		
<i>3</i>	0%	50%	50%	100%				

Other factors

15. Trust Fund money should not be used to support the institutional functioning of Codex.

16. No country should receive more than 3% of the funding distributed in a given year.

17. Once the first \$500 000 have been allocated, distribution of the available funds should continue as soon as they become available, without awaiting the reconstitution of a basic \$500 000. The managerial situation in this regard should be reviewed end 2005.

Practical considerations

18. If the Fund is to operate with the minimum amount of \$500 000, and all eligible countries apply for support, difficulties will inevitably arise in allocating funds equitably to all countries, while maintaining the proposed indicative distribution of funds proposed in *Table 1*.

19. Bearing in mind that: (a) there should be equity among countries within the same Group, hence making choices between them would not be desirable; and (b) all available funds should be used, two options have been identified:

1. The money would be distributed according to the indicative breakdown, with some flexibility regarding allocation by output level. However, it might be considered during the first year to exceptionally reallocate any unused funds among the Groups.

2. Provided that not all 133 eligible countries apply immediately, all applicants could obtain at least their priority request. Any remaining funds would be allocated in order to achieve to the greatest extent possible the indicative breakdown of the distribution of funds. It is thought that the indicative distribution could be achieved within the first two years, provided an overall amount of around \$1.3 million is available for distribution.

20. The Executive Committee is asked to advise the Consultative Group on the preferable option for operation of the Fund in 2004.

OTHER MATTERS

Call for applications

21. The Group discussed the application form, and decided to issue the first call for applications as soon as possible.

Level of funding

22. As of 1 December 2003, \$287,985 have been received by the Trust Fund, from the following countries:

	(US\$)
Switzerland	35 971
Canada	34 014
Netherlands ³	50 000
United States	168 000
Total	287 985
<i>Pledges:</i>	
Norway	100 000

³ The Netherlands has committed to an annual contribution of \$50 000 for 2004, 2005 and 2006.

Fundraising and advocacy

23. An informal meeting for interested parties was held at the time of the 26th Session of the Commission in Rome. Information on the Trust Fund was provided to the participants at the Meeting of Interested Parties held in WHO headquarters, Geneva, on 3 November 2003. Other follow-up activities with potential donors are ongoing.

NEXT STEPS

24. Further information on developments after the circulation of this report will be provided to the Executive Committee at the time of its meeting on 4-6 February 2004.

Annex 1

BASIC CRITERIA

1. The country should be a Member of Codex.
2. The country should have an identified Codex contact point.
3. National objectives in the framework of Codex should be outlined, relating to one or more of the identified output groups mentioned in *Annex 3*.
4. Coordination between governmental entities should be demonstrated.

These basic criteria will be used to establish whether a country is eligible for support according to one of the three output categories mentioned in *Annex 3*. The distinction between the three categories will be made on the basis of the description of planned national Codex activities mentioned under (3) above, which will be expected to differ with respect to the level of previous involvement of countries in Codex matters. Descriptions submitted for consideration under outputs II and III, for example, would be expected to provide more details such as a rationale for specific requests and the existence of a consultative process with stakeholders.

An additional criterion will be applied to requests for continued funding (on an annual basis), namely:

5. Presentation of reports and evaluation of progress towards the objectives mentioned under (3) above.

With respect to funding of activities designed to help countries to meet the basic criteria for participation, the only mandatory criterion will be (1).

Annex 2**PROPOSED LIST OF ELIGIBLE COUNTRIES***(133 countries in total)***GROUP 1**

<i>Group 1A – LDCs</i>	<i>Group 1B – Other low income countries</i>
Africa Angola Benin Burkina Faso Burundi Cape Verde Central African Republic Chad Democratic Republic of the Congo Equatorial Guinea Eritrea Ethiopia Gambia Guinea Guinea-Bissau Lesotho Liberia Madagascar Malawi Mali Mauritania Mozambique Niger Rwanda Senegal Sierra Leone Togo Uganda United Republic of Tanzania Zambia	Cameroon Congo, Republic of Côte d'Ivoire Ghana Kenya Nigeria Zimbabwe
Asia Bangladesh Bhutan Cambodia Lao Peoples Democratic Republic Myanmar Nepal	Democratic People's Republic of Korea India Indonesia Mongolia Pakistan Viet Nam
Europe -	Armenia Georgia Moldova, Republic of
Latin America and the Caribbean Haiti	Nicaragua
Near East Sudan Yemen	Kyrgyzstan
South-West Pacific Kiribati Samoa Solomon Islands Vanuatu	Papua New Guinea
42 countries	19 countries
61 countries	

GROUP 2

<p>Africa Morocco Namibia South Africa Swaziland</p>
<p>Asia China Philippines Sri Lanka Thailand</p>
<p>Europe Albania Bulgaria Kazakhstan Romania Russian Federation Serbia and Montenegro The Former Yugoslav Republic of Macedonia Turkey</p>
<p>Latin America and the Caribbean Bolivia Brazil Colombia Cuba Dominican Republic Ecuador El Salvador Guatemala Guyana Honduras Jamaica Paraguay Peru Suriname</p>
<p>Near East Algeria Egypt Iraq Iran, Islamic Republic of Jordan Syrian Arab Republic Tunisia</p>
<p>South-West Pacific Cook Islands Fiji Micronesia, Federated States of Tonga</p>
<p><i>41 countries</i></p>

GROUP 3

<i>Group 3A^a</i>	<i>Group 3B^b</i>
Africa Botswana Gabon Mauritius	Seychelles
Asia Malaysia	-
Europe -	Croatia Czech Republic Estonia Hungary Latvia Lithuania Poland Slovak Republic
Latin America and the Caribbean Antigua and Barbuda Belize Dominica Grenada Panama Saint Lucia Venezuela	Argentina Chile Costa Rica Mexico Saint Kitts and Nevis Trinidad and Tobago Uruguay
Near East Lebanon Libyan Arab Jamahiriya Oman Saudi Arabia	-
South-West Pacific -	-
15 countries	16 countries
<i>31 countries</i>	

^a Countries in World Bank upper middle income and UNDP medium human development categories.

^b Countries in World Bank upper middle income category.

Annex 3

MANAGERIAL ARRANGEMENTS

Output levels

There will be three levels of output from the Project and Fund. When considering requests for support according to the desired output, preference will be given to activities described below for each of these categories.

Output level I	Widening participation
Output level II	Strengthening overall participation
Output level III	Enhancing scientific/technical participation

- (a) *Output level I – Widening participation* will be directed towards increasing general-level participation and basic training to support it.
- (b) *Output level II – Strengthening overall participation* will give emphasis to institutional/consultation aspects, preparation for specific meetings where items of special interest are to be discussed, and training in preparation of country positions.
- (c) *Output level III – Enhancing scientific/technical participation* will focus on the preparation of scientific positions and be designed to meet targeted technical needs, thus being more oriented towards participation of technical experts in the Codex process.

In recognition of the difficulty for some countries who have never participated in Codex to even meet the criteria for eligibility outlined in *Annex 1*, it is proposed to also finance from the Fund, on an ad hoc basis, activities which would help countries to meet the basic criteria for participation, e.g. facilitation of the designation of a Codex contact point, or a consultancy visit by an appropriate expert from a neighbouring country within the framework of technical cooperation between developing countries (TCDC).

Matching requirements

Countries will be expected to cover all costs of participation after a set number of years, indicatively as follows:

- (a) Group 1 8 years
- (b) Group 2 6 years
- (c) Group 3 4 years

A gradual increase in the participation of countries using their own resources would take place according to a sliding scale established in consultation with the country on acceptance of a request for funding.