
codex alimentarius commission



FOOD AND AGRICULTURE
ORGANIZATION
OF THE UNITED NATIONS

WORLD
HEALTH
ORGANIZATION



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Agenda Item 4 (c)

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JOINT FAO/WHO FOOD STANDARDS PROGRAMME

EXECUTIVE COMMITTEE OF THE CODEX ALIMENTARIUS COMMISSION

Sixty-Third Session

WHO Headquarters, Geneva, 8-11 December 2009

PROPOSED DRAFT BUSINESS PLAN FOR THE CODEX ALIMENTARIUS COMMISSION

**(PREPARED BY AUSTRALIA AND NEW ZEALAND
WITH ASSISTANCE FROM FAO AND WHO)**

Background

1. The Committee recalled that the 31st Session of the Commission¹ had invited the delegations of Australia and New Zealand to prepare a short discussion paper explaining further their proposal of a business plan for Codex, which could present a compelling business case to the parent organisations in order to secure funds necessary for the sustainable operation of the Codex Alimentarius Commission.
2. The Member for the South West Pacific, on behalf of Australia and New Zealand, introduced the discussion paper. The committee noted that the proposed business plan would establish links between the mid-term plans of FAO and WHO and the Strategic Vision Statement of the Codex Alimentarius (in Part 1), illustrate how much resources would be spent on what type of activities and provide indicators to measure the achievements on these activities (in Part 2). It was also pointed out that the development of such a business plan would be pertinent and timely in view of the ongoing FAO reform towards a results-based management. The Committee expressed its appreciation to Australia and New Zealand for this work and generally supported its direction.
3. The Codex Secretariat acknowledged that the new results-based budgeting system of FAO would require very similar exercises to those proposed in the business plan and expressed interest in the proposal, while cautioning about the possibility of duplication of work. He further mentioned that if the business plan was to affect the budget for the 2012-2013 biennium to be discussed by the FAO Conference and the World Health Assembly in spring 2011, it should be finalised within two sessions of the Executive Committee (December 2009 and June 2010).

¹ Alinorm 08/31/REP paragraphs 114- 121 31st Session of the Codex Alimentarius Commission

4. The representative of FAO further confirmed the ongoing reform in the FAO programming and budgeting system which was very similar in concept, and noted that in accordance with the recent developments, the Codex Programme would contribute to Strategic Objective D, “*Improved quality and safety of foods at all stages of the food chain*”.
5. The representative of WHO indicated that the business plan would prove useful in the planning of Codex activities and enable results-based management already in place in WHO, and recommended not to include too many details in the business plan and that it needs to have good indicators to measure the achievements. The representative further noted that the business plan could allow better coordination in the budget planning of FAO and WHO by serving as a uniform communication tool from Codex.
6. The delegations of Australia and New Zealand have further developed the proposed draft *Business Plan* (attachment 1) and *Programme Expenditure* template taking into account the discussion at the 62nd Session of the Executive committee.
7. The purpose and objectives of the Business Plan are to:
- Provide a rigorous and systematic framework for estimating the resource requirements for the activities and programmes of the CAC;
 - Set out clearly the linkages between the high level goals and objectives of the parent bodies (FAO and WHO) and the CAC’s own strategic objectives and priorities;
 - Provide greater clarity on resource allocation across various programmes, principally as between food safety and food quality related activities;
 - Recognize the sizable contribution that members make to the fulfilment of the Commission’s work programme through host country arrangements; and
 - Provide the necessary information to members of Codex to enable them to contribute to consideration of funding issues at parent body level.

Explanatory Notes Attachment 1 *Business Plan*

8. The first part of the document provides an outline of the purpose and objectives of the Joint FAO/WHO Food Standards Programme (Codex Alimentarius) and identifies the linkages with the FAO Medium-Term Plan 2010 -2013 and the WHO Medium-Term Strategic Plan 2008 – 2013.
9. The second part of the document (*Activity Plan*) provides a template/format for estimating the costs of specific activities undertaken by the CAC as listed in Table 1 of the CAC Strategic Plan for 2008-2013. For the purposes of the business plan and in the interests of applying a simplified framework it is suggested that the estimation of costs, in the first instance, are restricted to activities listed under Goal 1 of the CAC Strategic Plan, this does not preclude expansion to other Goals at a future point in time. The estimation of costs under activities 1.1 and 1.2 are particularly important to demonstrate the strategic shift in the Commission’s activities between food safety and non safety related work.
10. The *Activity Plan* should clearly indicate the responsible parties as well as the linkages between the activity and the unit results/objectives of the parent bodies. The inclusion in the *Activity Plan* of the resources allocated, measures of success and performance indicators will provide the necessary information to enable the members of the Executive committee to carry out

more detailed examinations of the overall budget allocations against the planned activities. In carrying out its examinations the Executive will be better placed to provide informed views to the Secretariat with respect to the allocation of resources across those activities, including where necessary what activities could be postponed or even discontinued due to lack of funding.

11. The third part of the document (*Programme Expenditure*) identifies the financial resources that have been allocated to the Codex Alimentarius Commission by the parent bodies as well as external income and the contributions by host governments. In our view the inclusion of the contribution made by host countries to the costs of running the program is an important element to give both the parent bodies along with Codex members a more realistic estimate of the real costs of the Codex Programme.

12. The *Programme Expenditure* has been revised to provide high level aggregation of expenditure but could be expanded at a later date when more experience is gained with the format. The one page summary of income and expenditure will be a useful tool that can be used as a forward looking presentation of estimated expenditure but also as a method for forecasting future expenditure to both the parent bodies and to members. The expansion at a later date to provide a clearer identification of cost breakdowns would provide a transparent method of identifying where significant expenditure occurs and may be useful in future when cost cutting measures are required. For example in the past when required to identify savings the cancellation of sessions of the Codex Executive Committee has been the only option, with a more detailed estimate of expenditure available to the Executive and members of the Commission, there may be other areas of cost saving that could be identified in the future.

Issues for Discussion

13. The Executive committee is invited to consider the framework and structure of the Business Plan provided at Attachment 1 and 2 and to discuss:
- i. The revised layout of the Business Plan as set out in the Attachment; and its applicability with the framework of FAO and WHO budget planning processes;
 - ii. The appropriate terminology to use in relation to measures/targets or performance indicators and identification of clear measures/targets/performance indicators and the means of verification.
 - iii. The next steps to advance the framework and concepts as a basis for securing sustainable funding for the programmes and activities of the CAC; and
 - iv. How the *Business Plan and Programme Expenditure Template* can be used to more actively engage the members of the Commission in the discussion of Codex funding issues at relevant parent meetings.

Attachment 1

Business Plan of the Joint FAO/WHO Food Standards Programme (Codex Alimentarius)

This document sets out a Business plan for the Codex Alimentarius Commission (CAC), aligning with strategic goals of the parent bodies of FAO and WHO as well as the Commission and incorporates a list of planned activities with clearly defined resource and cost allocations.

Strategic Vision Statement

The Codex Alimentarius Commission envisages a world afforded the highest attainable levels of consumer protection including food safety and quality. To this end, the Commission will develop internationally agreed standards and related texts for use in domestic regulation and international trade in food that are based on scientific principles and fulfil the objectives of consumer health protection and fair practices in food trade.

Alignment to FAO/WHO Medium Term Plans

Under the FAO Strategic Objectives, the more specific Organizational Results represent the outcomes expected to be achieved over a four-year period – for which FAO will be held accountable – through the taking up and use by Member Countries and partners of FAO's products and services. The identification of Organizational Results also applies to Functional Objectives. The Objectives and Results are outlined in Section IV of the Strategic Plan and further elaborated in the Medium Term Plan 2010-2013².

The FAO *strategic objective* to which the Codex Secretariat contributes is:

Strategic Objective D1: Improved Quality and Safety of Foods at all stages of the food chain.

Within this strategic objective a number of *organisational results* supporting the strategic objective have been defined. The organisational results to which the Codex Secretariat contributes are:

Organizational Result D1 – New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization;

Organizational Result D2 – Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach;

Organizational Result D3 – National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms; and

Organizational Result D4 – Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements.

² Elements for the draft strategic framework, medium term plan 2010-13, and programme of work and budget 2010-11, FAO Council, CL 136/16

The *Unit Result* for the Codex Secretariat for which it is solely responsible is *Unit Result D0106: Implementation of the work programme of the Codex Alimentarius Commission in accordance with its strategic plan.*

Related unit results are the following:

D0107 – Development and dissemination of scientific advice on food safety related issues of international importance with the exception of those related to pesticides and their residues;

D0108 – Technical specifications for pesticides developed and scientific advice provided on maximum residue limits or pesticides in food;

D0109 - Development of scientific advice on nutrition related issues of international interest.

The main WHO strategic objective³ to which Codex work contributes is Strategic Objective 9:

Strategic Objective 9: To improve nutrition, food safety and food security, throughout the life-course, and in support of public health and sustainable development.

Under this strategic objective, the most relevant organization-wide expected result is 9.2:

9.2 Norms, including references, requirements, research priorities, guidelines, training manuals and standards, produced and disseminated to Member States in order to increase their capacity to assess and respond to all forms of malnutrition, and zoonotic and non-zoonotic foodborne diseases, and to promote healthy dietary practices.

Under this organization-wide expected results there are a number of proposed office-specific expected results for 2010-2011 that contribute directly to the work of Codex, and are the responsibility of the Department of Food Safety and Zoonoses:

- Scientific advice, technical guidance, protocols, research priorities, manuals and assessments produced in support of norms and standard setting and to increase Member States' capacities to assess, prevent and respond to all forms of foodborne diseases
- Strategic health leadership and support provided to the Codex Alimentarius Commission to enhance its work and the participation of its Members
- Support provided to Member States for their participation in international standard setting activities (Codex).

Governance⁴

To enable the overall achievement of its strategic vision and the strategic objectives of the parent bodies, the CAC must take action jointly with its parent organizations and its members. The Commission continues to urge FAO and WHO to mobilise sufficient resources to allow the CAC to fulfil its mandate. Their other key roles are to provide scientific advice requested by the CAC and to offer technical assistance to developing members so that they can effectively participate in the standard- setting process and build capacity for the development of sound food control systems. The Commission fully recognises the efforts of

³ WHO Medium Term Strategic Plan 2008-2013

⁴ Adapted from the Codex Alimentarius Commission Strategic Plan 2008-2013 – Strategic Goals and shared responsibilities page 3

the members of the CAC, especially those which provide significant financial and other support to the work of the CAC as host governments of subsidiary bodies or as contributors to extra-budgetary programmes of FAO and WHO including contributing to the FAO/WHO Trust Fund Project for Enhancing the Participation of Developing Countries in Codex. In close cooperation with the partners above, the Commission will focus on the goals and activities of the Strategic Plan 2008-2013 to achieve its strategic vision.

Activity Plan [*Example*]

Activity name	Review and develop Codex Standards and related texts for food safety
Activity Identification	1.1
Activity manager/s [responsible parties]	CCFH, CCFA, CCCF, CCPR, CCRVDF, CCNFSDU, relevant Task Forces and Commodity Committees
Activity sponsor	Codex Secretariat/Chair/host governments
CAC Goal⁵	Goal 1 Promoting Sound Regulatory Frameworks
Timeframe	Continuing
FAO Unit Result	D0106 <i>Implementation of the work programme of the Codex Alimentarius Commission in accordance with its strategic plan.</i>
WHO Strategic Objective	Objective 9 To improve nutrition, food safety and food security, throughout the life-course, and in support of public health and sustainable development.

SECTION 1: ACTIVITY OVERVIEW

Review and develop Codex standards and related texts for food safety, taking into account scientific and technological developments, to ensure that they: emphasize a horizontal approach; employ an approach to food safety that is based on risk and that addresses the entire food chain; and reflect global variations so as to avoid being more trade restrictive than necessary, while respecting the basic objectives of the CAC, taking into consideration the technical and economic implications for all members as well as the special needs of developing countries including infrastructure, resources and technical and legal capabilities.

SECTION 2: ACTIVITY RESOURCES [insert relevant biennium]

			% of overall budget allocated to this activity
Revenue	FAO Contribution	\$	
	WHO Contribution	\$	
	Contributions from Host Countries	\$	
	TOTAL	\$	
Expenses		\$	
Number of Professional and General Service Staff FTEs⁶	Current		

⁵ Goal – This section identifies the linkage with the relevant Goal of the Codex Alimentarius Commission Strategic Plan 2008-2013

⁶ Full time equivalent

[Prior to completion this section requires additional discussion by the Executive Committee to determine the appropriate terminology to use and to identify effective measures/performance indicators and methods of verification.]

Key activities	Performance Indicators/Measure of Success
Provision of Secretariat to the relevant Codex subsidiary bodies including liaison with the host government secretariat(s).	
Facilitate the review and development of Codex standards and related texts for food safety.	
Translation & Distribution of documents for meetings.	
Preparation, distribution and translation of meeting reports.	
Liaison with Expert bodies regarding provision of scientific advice to support the work of the subsidiary bodies.	
Provision of input to Critical Review of new work and progress with existing work	

Activity efficiency measure/performance indicator/targets

Activity effectiveness measure/performance indicator /targets

Programme Expenditure Template

Programme Entity: Codex Alimentarius
FAO Unit Result Entity: D0106
WHO Programme Entity: Objective 9

Revenue \$
 Appropriation FAO
 Appropriation WHO
 Programme Reserve (carried from 09-10)
 External income (new in 10-11) _____
Total Income _____

Please state source of external income
 Total income should equal total cost of programme

Salaries Professional \$
 Salaries General Service
Staff Costs⁷
 Other Human Resources⁸
 General Expenses⁹
 Non Expendable Equipment¹⁰
 Chargeback¹¹
 Travel
Non-Staff costs

Non-Staff Costs Sub-total _____

Total Direct Cost of Programme _____

Overheads _____

Total Cost of Programme _____

⁷ It may be useful to provide additional information regarding the numbers of staff and levels

⁸ Includes consultants, contracts and the overtime of the General Service staff.

⁹ Includes expendable equipment, general operating expenses, general overhead expenses and hospitality

¹⁰ Includes data processing equipment and furniture

¹¹ Includes temporary assistance, translation, interpretation and printing serviced by the relevant units of the FAO headquarters