

codex alimentarius commission



FOOD AND AGRICULTURE
ORGANIZATION
OF THE UNITED NATIONS

WORLD
HEALTH
ORGANIZATION



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Agenda Item 4

JOINT FAO/WHO FOOD STANDARDS PROGRAMME

CODEX ALIMENTARIUS COMMISSION

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TRUST FUND FOR THE PARTICIPATION OF DEVELOPING COUNTRIES AND COUNTRIES IN TRANSITION IN THE WORK OF THE CODEX ALIMENTARIUS COMMISSION

FAO/WHO PROJECT AND FUND FOR ENHANCED PARTICIPATION IN CODEX

Progress report

INTRODUCTION

1. Further to the request of the 50th Session of the Executive Committee, FAO and WHO have reviewed the concept paper presented by WHO on that occasion (CX/EXEC 02/50/4). The revised goal and objective of the Project and Fund, its funding structure and a progress report outlining the action taken as of end December 2002, are given below.

GOAL AND OBJECTIVE OF THE PROJECT

2. The goal of the Project is to further the improvement of global public health and food security by promoting the provision of safer and more nutritious food and contributing to a reduction in foodborne disease. This will be achieved by (a) helping regulators and food experts from all areas of the world to participate in international standard-setting work in the framework of Codex and (b) enhancing their capacity to help establish effective food safety and quality standards and fair practices in the food trade, both in the framework of the Codex Alimentarius and in their own countries.

3. Its main objective is to help developing countries and those with economies in transition to enhance their level of effective participation in the development of global food safety and quality standards by the Codex Alimentarius Commission, and ultimately as a result have the following benefits: (a) strengthen the capacity of developing countries and countries with economies in transition to build strong and compatible food control systems through collegial exchanges, knowledge transfer and professional development through the Codex

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Alimentarius Commission and its committees and task forces; (b) help all Codex members benefit from the knowledge base and control systems that will emerge as a result of activities of the Project.

4. The Project will be a transparent and unbiased vehicle to enable food experts from developing countries and countries with economies in transition to represent their governments in meetings, committees and task forces of the Codex Alimentarius Commission; to develop effective data and information to enhance Codex discussions in these bodies; and to enable countries to benefit from and contribute to Codex deliberations and standards development. Funding will be provided through a joint FAO/WHO trust fund managed by WHO on behalf of both Organizations.

Governance and daily management of the Project

5. The Project shall be guided by an FAO/WHO Consultative Group consisting of senior FAO and WHO staff. Daily management of the Project and associated funding shall be implemented by WHO following normal WHO procedures, through its Food Safety Department and in close coordination with FAO, particularly regarding applicant review and identification and capacity-building activities. The daily administration of the FAO/WHO trust fund for participation in Codex will be conducted by WHO in accordance with WHO's financial regulations. All activities shall be performed in a fully transparent manner, and close communication shall be maintained with all interested parties.

Funding structure

6. WHO shall be responsible for the management and administration of the funding through its well-established, transparent trust fund mechanism, the Voluntary Fund for Health Promotion. The FAO/WHO trust fund for participation in Codex will have its own separate financial records and reporting. All contributions and expenditure will be recorded separately, with individual donor acknowledgement, and reported on in the Financial Report and audited financial statements of WHO. The trust fund shall be subject to both internal and external audit procedures in accordance with WHO Financial Regulations and Rules.

7. This structure provides transparency and efficiency, and is an effective mechanism that can be quickly operationalized. Although an endowment is not envisaged, the trust fund structure provides flexibility, such that if in future it becomes necessary to create a separate trust fund outside the framework of the WHO Voluntary Fund for Health Promotion, this can be easily achieved.

8. The trust fund shall be funded from donor contributions generated in accordance with the Project plans to fully fund and implement over a 12-year period. In addition to the Financial Report and audited financial statements of WHO (available on the WHO web site), the Organization shall provide regular reporting as appropriate.

Coherence and complementarity with other funding mechanisms

9. The FAO/WHO Consultative Group for the Trust Fund will be responsible for ensuring that the work of the Project and Fund for Enhanced Participation in Codex forms part of a coherent international mechanism for fundraising, and that it will be complementary with respect to other funds which focus on capacity building per se in the area of food safety and standard setting. Other notable related funding mechanism in the same area include:

- The Standards and Trade Development Facility (STDF). The objective of the STDF (which is administered by WTO) is to further the collaboration between WTO and the World Bank, WHO, FAO and OIE in their activities relating to food safety, animal health, plant protection and the protection of the environment in the context of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.
- The FAO Trust Fund for Food Security and Food Safety. The projects to be funded from this FAO Trust Fund will assist Member governments in initiating, strengthening, accelerating and expanding activities in the areas of: food security; emergency prevention of transboundary animal and plant pests and diseases; and in project and programme studies to increase investment.

- The FAO Integrated Programme for Building Capacity for Biotechnology, Food Quality and Safety, and Phyto- and Zoonosanitary Standards. The main objective of this programme is related to adoption and implementation of standards, not standard-setting. It is envisaged to cover guidance for decision makers, regulatory and legal aspects, institutional strengthening at regional and national levels, and human resource development.

Transparency and communication

10. Transparency will be achieved through clear terms of reference for the FAO/WHO Consultative Group, detailed and clear criteria for selection of beneficiaries, and regular financial and management reporting. In addition to the wide distribution of public documents and the availability of information on the web, meetings of the Codex Alimentarius Commission will be a significant occasion for making the financial and managerial reports publicly available and included in the records of the Commission.

FAO/WHO CONSULTATIVE GROUP FOR THE TRUST FUND

11. The Group has been formally established (for its terms of reference, please refer to *Annex 1*). At its first meeting held on 16-17 December 2002, it considered in detail the suggestions made in the WHO concept paper mentioned above, and the comments and recommendations of the 50th Session of the Executive Committee and subsequent Regional Coordinating Committees.

Fundraising strategy and related advocacy

12. The meeting considered a report prepared during the period of August - October 2002, which identified potential donors to the trust fund by type of organization (governments, multilateral institutions, private foundations and trusts, private companies and individuals, and trade associations); articulated fundraising opportunities and obstacles; and highlighted a number of key strategic considerations.

13. The main advantages and opportunities include the superior international reputation and contact networks of FAO and WHO, the increasing worldwide recognition of the importance of food safety as a global issue, and the fact that the trade component of this activity offers an opportunity to secure funds that would otherwise be unavailable. The competition for funding among various ongoing food safety initiatives, the difficulty in demonstrating the concrete benefits of the trust fund in advance, and the possible conflict of interest concerning the acceptance of private sector funding represent the principal challenges and obstacles that may be faced with respect to achieving the fundraising target.

14. There are a number of strategic considerations that should be taken into account during the planning and implementation of fundraising activities. For example, with regard to identifying potential donors, it is important to target prospective donors who have a substantive interest in Codex, and who understand the value of increasing the participation of developing countries and transition economies in the work of Codex.

15. With respect to the private sector, the possible conflict of interest issue must be addressed as a first step. The existing guidelines of both FAO and WHO must be adhered to: FAO's *Principles and guidelines for FAO cooperation with the private sector*; and WHO's *Guidelines on interaction with commercial enterprises to achieve health outcomes*.

16. The need for an awareness campaign was acknowledged, in order to inform key decision makers in governments of the importance of Codex in general, and of this trust fund in particular. Potential donors must be convinced that their contributions will be used properly, in accordance with the stated goals of the trust fund. It therefore must be demonstrated that the right people will be sent to the right meetings, that those participants selected will be properly prepared in advance so they are able to make a meaningful contribution to the meetings, and that concrete benefits will subsequently accrue to the participants' home country and region.

Criteria for selection of beneficiaries

17. The following groups of countries (according to the World Bank classification FY2003) will be eligible to seek funding from the FAO/WHO Trust Fund for Participation in Codex, provided they are Members of the Codex Alimentarius Commission (*Annex 2* provides a list of these countries according to Codex regions):

- a) low income countries (LIC);
- b) lower middle income countries (LMC);
- c) upper middle income countries (UMC).

18. Countries seeking funding should provide evidence of the following:

- a) a national food safety and trade policy;
- b) capacity to implement relevant legislation;
- c) the appointment of a national Codex contact point (who will be responsible for all interaction between the beneficiary country and the Trust Fund),
- d) the existence of a consultative process with stakeholders, or the commitment to establish one.

19. Beneficiary countries will be expected to gradually assume full responsibility for participation, according to set matching requirements based on the country classification mentioned above.

Monitoring progress and evaluating achievements

20. Continued funding will be given only on receipt of a standardized report submitted on a regular basis. Consistency between the request for funding and its utilization should be demonstrated. In addition to reports by countries regarding their national situation, it is envisaged to carry out a broad overall independent evaluation of the impact of the Project and Fund and its sustainability, at an appropriate time.

NEXT STEPS

21. Further to the official launch of the Project and Fund for Enhanced Participation in Codex, planned to take place on the occasion of the Twenty-fifth Session of the Codex Alimentarius Commission in February 2003, it is hoped that sufficient funding will be obtained to enable the Project and Fund to become operational as rapidly as possible.

FAO/WHO PROJECT AND FUND FOR ENHANCED PARTICIPATION IN CODEX (FAO/WHO TRUST FUND FOR PARTICIPATION IN CODEX)

Terms of reference of the FAO/WHO Consultative Group

Goal and objective of the Project

1. The goal of the Project is to further the improvement of global public health and food security by promoting the provision of safer and more nutritious food and contributing to a reduction in foodborne disease. This will be achieved by (a) helping regulators and food experts from all areas of the world to participate in international standard-setting work in the framework of Codex and (b) enhancing their capacity to help establish effective food safety and quality standards and fair practices in the food trade, both in the framework of the Codex Alimentarius and in their own countries.

2. Its main objective is to help developing countries and those with economies in transition to enhance their level of effective participation in the development of global food safety and quality standards by the Codex Alimentarius Commission, and ultimately as a result have the following benefits:

- a) Strengthen the capacity of developing countries and countries with economies in transition to build strong and compatible food control systems through collegial exchanges, knowledge transfer and professional development through the Codex Alimentarius Commission and its committees and task forces.
- b) Help all Codex members benefit from the knowledge base and control systems that will emerge as a result of activities of the Project.

3. The Project will be a transparent and unbiased vehicle to enable food experts from developing countries and countries with economies in transition to represent their governments in meetings, committees and task forces of the Codex Alimentarius Commission; to develop effective data and information to enhance Codex discussions in these bodies; and to enable countries to benefit from and contribute to Codex deliberations and standards development. Funding will be provided through a joint FAO/WHO trust fund managed by WHO on behalf of both Organizations.

Governance and daily management of the Project

4. The Project shall be guided by an FAO/WHO Consultative Group (referred to hereafter as “the Group”) consisting of senior FAO and WHO staff. Daily management of the Project and associated funding shall be implemented by WHO following normal WHO procedures, through its Food Safety Department and in close coordination with FAO, particularly regarding applicant review and identification and capacity-building activities. The daily administration of the FAO/WHO trust fund for participation in Codex will be conducted by WHO in accordance with WHO’s financial regulations. All activities shall be performed in a fully transparent manner, and close communication shall be maintained with all interested parties.

Membership and Chair of the FAO/WHO Consultative Group

5. FAO and WHO shall each appoint 3 members to the Group. Members shall be selected from among senior staff with comprehensive knowledge of food safety and capacity building issues at country level, with due regard to regional aspects.

6. A chair shall be appointed from among the members, on the basis of annual rotation between the two organizations.

7. The Secretary of the Codex Alimentarius Commission shall participate in an advisory capacity when needed.

Method of work of the FAO/WHO Consultative Group

8. The Group shall meet at least twice annually. The venue of meetings shall be the Organization of the Chair. Extraordinary meetings may be convened by the Chair as required, following consultation with all members. The Group shall establish detailed working procedures as appropriate. Decisions will be taken by consensus.

Reporting

9. The official financial reports to the governing bodies of both Organizations and to the Codex Alimentarius Commission, and any progress reports to donors, shall be reviewed by the Group. The Group shall be accountable to the directors-general of FAO and WHO, through the Chief, Food Quality and Standards Service, FAO and the Director, Food Safety Department, WHO.

Expenses

10. The costs of participation shall be borne by each Organization with respect to its staff. Meeting costs shall be borne by the host Organization. Secretariat support to the Group shall be provided by WHO.

Functions of the FAO/WHO Consultative Group

11. The functions of the Group fall into five broad categories:

1. To provide strategic guidance to the Project.
2. To establish relevant guidelines and criteria as a framework for Project activities.
3. To monitor that such guidelines and criteria are followed by the Project, and that reporting requirements are met.
4. To monitor the coherence and complementarity of Project activities with respect to other funding mechanisms dealing with similar issues.
5. To monitor the Project's progress and evaluate achievements.

1. Strategic guidance to the Project

12. The Group shall provide guidance to FAO and WHO on the following aspects:

- short-, medium- and long-term goals and objectives, within the framework of the goal and objectives spelled out in paragraph 1 of this document;
- the workplan of the Project;
- programme development, e.g. recommendation of suitable types of training/other activities to be pursued.

2. Establishment of relevant guidelines and criteria

13. These shall include:

- Criteria for definition of priority countries/areas for Project support.
- Criteria for definition of broad categories of applicants for priority consideration, on the basis of regional considerations, needs, gender, review by appropriate officers in FAO and WHO, and priorities of countries.
- Recommended procedures for applications.
- Recommended selection procedures for Project beneficiaries, taking into account geographical diversity, educational background, regional needs, expertise and other appropriate factors.
- Criteria for countries which might either benefit from a waiver of financial matching requirements, or be regarded as more economically viable based on internationally-accepted criteria for developing

countries and countries with economies in transition (and hence be required to make a small immediate match in financing).

- Reporting schedule additional to the Financial Report and audited financial statements of WHO.

3. Monitoring compliance with guidelines, criteria and reporting requirements

14. The Group shall:

- ensure that all relevant guidelines of FAO and WHO are followed (including the criteria and procedures of both organizations for collaboration with the private sector) and seek advice from the competent officials of the Organization concerned, if required;
- keep under review the geographical balance between candidates selected from the various Codex regions;
- ensure that all agreed reporting requirements have been met.

4. Coherence and complementarity

15. FAO and WHO shall strive to ensure that one or more members of the Group are also focal points/representatives with respect to participation by each Organization in other related funding mechanisms.

5. Monitoring progress and evaluating achievements

16. The Group shall ensure that the Project is meeting the set goals and objectives.

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Annex 2

**Countries eligible to seek funding
from the FAO/WHO Trust Fund for Participation in Codex, by Codex Region¹**

<i>Low income</i>	<i>Lower middle income</i>	<i>Upper middle income</i>
Africa		
Angola	Cape Verde	Botswana
Benin	Morocco	Gabon
Burkina Faso	Namibia	Mauritius
Burundi	South Africa	Seychelles
Cameroon	Swaziland	
Central African Rep.		
Chad		
Congo, Rep. of		
Côte d'Ivoire		
Dem. Rep. Congo		
Equatorial Guinea		
Eritrea		
Ethiopia		
Gambia		
Ghana		
Guinea		
Guinea-Bissau		
Kenya		
Lesotho		
Liberia		
Madagascar		
Malawi		
Mauritania		
Mozambique		
Niger		
Nigeria		
Rwanda		
Senegal		
Sierra Leone		
Togo		
Uganda		
United Rep. Tanzania		
Zambia		
Zimbabwe		

¹ According to World Bank classification.

Low income**Asia**

Bangladesh
 Bhutan
 Cambodia
 DPR Korea
 India
 Indonesia
 Lao PDR
 Mongolia
 Myanmar
 Nepal
 Pakistan
 Viet Nam

Lower middle income

China
 Philippines
 Sri Lanka
 Thailand

Upper middle income

Malaysia

Europe

Armenia
 Georgia
 Republic of Moldova

Albania
 Bulgaria
 Romania
 Russian Federation
 TFYR Macedonia
 Turkey
 Yugoslavia

Croatia
 Czech Republic
 Estonia
 Hungary
 Latvia
 Lithuania
 Malta
 Poland
 Slovak Republic

Latin America and the Caribbean

Haiti
 Nicaragua

Belize
 Bolivia
 Colombia
 Cuba
 Dominican Republic
 Ecuador
 El Salvador
 Guatemala
 Guyana
 Honduras
 Jamaica
 Paraguay
 Peru
 Suriname

Antigua and Barbuda
 Argentina
 Barbados
 Brazil
 Chile
 Costa Rica
 Dominica
 Grenada
 Mexico
 Panama
 Saint Kitts and Nevis
 Saint Lucia
 Trinidad and Tobago
 Uruguay
 Venezuela

<i>Low income</i>	<i>Lower middle income</i>	<i>Upper middle income</i>
Near East		
Kyrgyzstan	Algeria	Lebanon
Sudan	Egypt	Libyan Arab Jamahiriya
Yemen	Iran, Islamic Rep.	Oman
	Iraq	Saudi Arabia
	Jordan	
	Syrian Arab Republic	
	Tunisia	
Southwest Pacific²		
Papua New Guinea	Fiji	
Solomon Islands	Kiribati	
	Micronesia, Fed. States	
	Samoa	
	Tonga	
	Vanuatu	

² Cook Islands are not included in the World Bank classification, but are nevertheless considered to be eligible.