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PRIORITIES AND RESULTS UNDER THE MEDIUM-TERM PLAN AND PROGRAMME OF WORK AND BUDGET 2012-13

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I. Introduction

1. The 36th Session of the FAO Conference in November 2009 approved FAO's Strategic Framework 2010-19, Medium-Term Plan 2010-13 and Programme of Work and Budget 2010-11 (MTP-PWB), along with a new results-based framework and attendant hierarchy of results replacing the previous programme structure¹. The elements of the new results-based framework are summarized in Annex A.
2. The Conference also approved amendments to the Basic Texts governing the reporting lines of the Technical Committees: *"The Council shall be assisted by:...a Committee on Commodity Problems, a Committee on Fisheries, a Committee on Forestry, a Committee on Agriculture and a Committee on World Food Security which shall report to the Council on programme and budget matters and to the Conference on policy and regulatory matters"*². Therefore, the Committee on Agriculture (COAG) is to report to Council on programme and budget matters, including priorities for the next biennium.
3. At its 100th Session in October 2008, the Programme Committee recommended that technical committees provide advice on prioritization based on drafts of the results frameworks, in the format agreed in the Immediate Plan of Action (IPA), for the Strategic Objectives (SOs) most relevant to each Technical Committee. The 135th Session of the Council endorsed this approach, and draft results frameworks for SOs A, B, D and F (without indication of resources) were presented to the 21st Session of COAG in 2009³. The Programme Committee had also requested that: *"FAO management should provide similar analyses of organizational results and priorities to all Committees for advice regarding crosscutting Strategic Objectives"*, and this information was provided to the 21st Session of COAG in an associated information document⁴.
4. At its 101st Session in May 2009, the Programme Committee recognized the constraints experienced by the Technical Committees with regard to providing advice on priorities, due in part to the novelty of the enhanced results based approach and also to timing constraints. The advice provided by the Technical Committees was more in terms of calling for additional activities and resources, without indication of areas of lower priority, although useful guidance for further refinement of the results frameworks was provided. The Programme Committee recommended that the documentation for future sessions of Technical Committees be conducive to greater input on priority-setting and that guidance to the Technical Committees should be more specific in the next round.
5. The Programme Committee at its 103rd Session in April 2010 further considered the experience with receiving input on priorities from the COAG in 2009. It recognized the transitional nature of the process of setting priorities during the preparation of the PWB 2012-13, when it would not yet have performance implementation reports for the new results frameworks. It requested that documentation on priorities be prepared by the Secretariat for the Technical Committees, which should start from the approved results frameworks in the MTP-PWB and take into account emerging issues, lessons learned from initial operational planning, major evaluations and any resulting proposed shifts in emphasis within the relevant Strategic Objectives⁵.

¹ C 2009/3 Strategic Framework, and C 2009/15 Medium Term Plan and Programme of Work and Budget

² CR 5/2009 operative paragraph 6

³ COAG/2009/6 Elements of Strategic Framework and MTP 2010-13 of relevance to COAG

⁴ COAG/2009/Inf.14 Additional Strategic Objectives of relevance to COAG

⁵ CL 139/4 paragraph 10

II. Approach to setting priorities 2012-13

Process

6. Based on the guidance provided by the Programme Committee, the Strategy Team Leaders have applied the three main factors in proposing modifications to and/or shifts in emphasis for work in the 2012-13 biennium within the approved Strategic Objective results frameworks of the MTP-PWB, as presented in this document:

- a) emerging issues in the external environment, drawing from and updating the “issues and challenges” and “assumptions and risks” analyses of the results frameworks;
- b) lessons learned from internal operational (work) planning during the first quarter of 2010, including the peer reviews, that would result in change in emphasis;
- c) results of any relevant recent corporate evaluations.

Coverage of Strategic Objectives

7. Sections III to XI of the document provide, for each Strategic Objective except SO C (fisheries and aquaculture) and SO E (forests and trees): the resources distribution (net appropriation and extra-budgetary) for each Organizational Result (OR); the emerging issues, lessons learned and evaluations; and, proposed areas of emphasis for 2012-13.

8. Strategic Objectives A (crops), B (livestock), D (food quality and safety) and F (natural resources) fall fully within the mandate of the COAG. Aspects of Strategic Objectives G (markets and rural development), H (food security and nutrition), I (emergencies and rehabilitation), K (gender) and L (investment) are also of interest to the COAG.

9. The core functions are not covered explicitly by this document, as they provide the means of action for achieving the Strategic Objectives and therefore should form part of the analysis and areas of emphasis for each objective.

10. To facilitate the consideration of areas of emphasis within Strategic Objectives, Annex B provides a consolidated view of the resource allocations by Organizational Results in 2010-11, in US dollars and in percentage terms, at the level of Organizational Results.

Guidance requested from COAG

11. In order to facilitate the consideration of priorities for the PWB 2012-13 by the Programme Committee and Council, the COAG may wish to address the following questions when reviewing the proposed areas of emphasis for each Strategic Objective:

- a) Are the emerging issues and results of evaluations fully captured? Should other emerging issues be considered?
- b) Have the above factors, along with lessons learned from internal work planning, been taken into account in the proposed areas of emphasis for the 2012-13 biennium? How should emphasis be further adjusted for 2012-13?
- c) Are there areas of work that could receive less attention by FAO in 2012-13? Can certain areas be better addressed through partnerships?

12. The Committee may also wish to provide its views on the process of setting priorities from the perspective of the mandate of the Technical Committee.

III. Strategic Objective A - Sustainable intensification of crop production

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
A01 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels	19.4	41.9	61.3
A02 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels	13.9	11.7	25.6
A03 - Risks from pesticides are sustainably reduced at national, regional and global levels	7.2	9.4	16.6
A04 - Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels	9.8	129.1	138.9
A - Sustainable intensification of crop production	50.4	192.1	242.5

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

13. In recent years sustainable intensification of crop production has been the subject of ongoing discussion within and outside FAO. The 21st Session of COAG stressed that an ecosystem approach be adopted in agricultural management in order to achieve sustainable agriculture. In addition, the Declaration of the World Summit on Food Security (Rome, November 2009) highlighted the promotion of “...*new investment to increase sustainable agricultural production and productivity*”, and implementation of “...*sustainable practices... improved resource use, protection of the environment, conservation of the natural resource base and enhanced use of ecosystem services*”. The Declaration further committed to maintaining the health and productivity of all ecosystems; and better management of the biodiversity associated with food and agriculture. The four Organizational Results under SO A together provide a framework to help countries achieve sustainable increases in agricultural productivity.

14. The topic of sustainable crop production intensification as embodied in SO A will be considered further by the 22nd Session of COAG. Document COAG/2010/3 – Sustainable Crop Production Intensification through an Ecosystem Approach and an Enabling Environment: Capturing Efficiency Through Ecosystem Services and Management identifies opportunities to improve efficiency in resource use through managing biological processes and concludes with goals, outcomes and outputs by which FAO can assist its Members implement sustainable crop production intensification programmes as set out in SO A and requests COAG guidance on the further development of a long-term strategy.

15. In the first quarter of 2010, there was no compelling requirement to substantially revise SO A as set out in the MTP for 2010-2013. In the work planning process, however, some adjustments were made in terms of contributing to Unit Results. On the whole, the issues and challenges and assumptions and risks identified in the MTP should remain valid for the next biennium.

16. The Evaluations of Operational Capacity in Emergencies and of FAO’s Role and Work Related to Water included recommendations relevant to SO A. The new operational strategy for the Emergency Operations and Rehabilitation Division (TCE) includes recognition of the need for increased collaboration between technical units and TCE operational staff and for stronger technical inputs from both technical divisions and TCE field staff. Such issues, in particular those

relating to crop production and protection, are reflected in specific Unit Results under SO I. The evaluation of FAO's work related to water recognized the need for a comprehensive strategy for water in FAO which is fully compatible with SO A.

Proposed areas of emphasis for 2012-13

17. SO A will continue to emphasize building and supporting a framework for countries to achieve sustainable production intensification through working with governments, international institutions, multilateral and bilateral donors, the private sector, farmer organizations and other civil society stakeholders in order to support and reinforce initiatives taken, such as adequate policies, legislation, institutional support, economic development, and availability of best knowledge.

18. The areas of emphasis identified in the MTP remain essentially unchanged and will include the provision of technical and policy assistance: to promote sustainable crop production intensification and diversification (A01); to reduce risks from outbreaks of transboundary pests (A02); to reduce risks from pesticides (A03); to better manage plant genetic resources including seed systems (A04) and build on a range of global instruments, treaties, conventions and codes (e.g. IPPC, ITPGRFA, Rotterdam Convention, Code of Conduct on the Distribution and Use of Pesticides and EMPRES).

IV. Strategic Objective B - Increased sustainable livestock production

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
B01 - The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development	11.0	21.3	32.3
B02 - Reduced animal disease and associated human health risks	12.5	126.9	139.4
B03 - Better management of natural resources, including animal genetic resources, in livestock production	6.6	6.7	13.3
B04 - Policy and practice for guiding the livestock sector are based on timely and reliable information	2.5	-	2.5
B - Increased sustainable livestock production	32.6	155.0	187.6

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

19. The livestock sector has been undergoing change at an unprecedented pace over the past few decades. The booming demand for animal-source food in the world's most rapidly growing economies has led to large increases in livestock production, supported by major technological changes. This surging demand has been mostly met by commercial livestock production and associated food chains. At the same time, millions of rural people still keep livestock in traditional production systems, where they support livelihoods and household food and nutrition security. The rapid transition of the livestock sector has been taking place in an institutional void. The speed of change has often significantly outpaced the capacity of governments and societies to provide the necessary policy and regulatory framework to ensure an appropriate balance between the provision of private and public goods.

20. As laid out by *SOFA 2009: Livestock in the balance* and *Livestock in a Changing Landscape*, the challenges posed by the livestock sector cannot be solved by a single set of

actions and by individual actors alone. They require integrated efforts of a wide range of stakeholders. Such efforts must also be realistic and equitable, taking account of social and economic dimensions. Through such broad-based constructive engagement and focused attention, the livestock sector should be able to meet the multiple, often competing objectives of society. The discussion paper COAG/2010/5 – Guidance of the Livestock Sector is intended to support the Committee’s decision-making on how to address such balancing of objectives.

Proposed areas of emphasis for 2012-13

21. The Results Framework of SO B focuses on strengthening the three Public Goods associated with the livestock sector, namely: food security / socio-economics / poverty alleviation (B01); animal and public health (B02); and natural resource sustainability and climate change mitigation (B03).

22. Organizational results B01-B03 are supported by relevant information and policy / institutional analysis and sector guidance (B04). SO B will, based on this results framework, give emphasis to building and supporting an agenda of action for the livestock sector, shared by governments, international institutions, multilateral and bilateral donors, private sector, farmer organizations and other civil society stakeholders. This agenda will include the necessary steps towards a livestock sector characterized by: better governance; a systematic focus on the problems and issues identified; a more inclusive development process; levels of investment commensurate with the importance of the sector and the challenges it faces; and enhanced international cooperation and investment in research and development. COAG will continue to receive updated analyses of the rapidly evolving issues of the livestock sector with the intent of soliciting guidance on the preparation of improved governance and development instruments (B04).

V. Strategic Objective D - Improved quality and safety of foods at all stages of the food chain

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
D01 - New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization	13.5	5.4	18.9
D02 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach	3.5	1.2	4.7
D03 - National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms	4.4	11.4	15.8
D04 - 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	3.9	0.1	4.0
D - Improved quality and safety of food at all stages of the food chain	25.3	18.1	43.5

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

23. The normative and collaborative nature of most of the work undertaken under SO D and the continued high demand for this work from Members imply that the issues, challenges,

assumptions and risks identified in the current MTP-PWB should remain mostly valid for the next biennium. However, some minor adjustment in priorities may be necessary.

24. Increased frequency and impact of food safety incidents demand greater attention to proactive management of food safety systems and rapid and effective international communication networks on food safety issues. New hazards (emerging viruses), changing patterns of occurrence of known hazards (mycotoxins and biotoxins), new information on existing hazards (migration of contaminants from packaging), (re)emerging nutrition issues (Nutrient Reference Value; salt and sugar consumption; nutrition labelling) and fraudulent practices (e.g. use of unauthorized food additives; adulteration of food) underline the need for greater capacity for scientific advice to guide food safety and quality policy and for management systems with the flexibility to adapt to changing priorities. The need to address food safety and quality in terms of their contribution to food security e.g. minimising post-harvest food quality losses is also a key emerging issue.

25. Evaluations of existing programmes such as the Codex Trust Fund to enhance the participation of developing countries in Codex work highlight the need for ongoing and enhanced assistance with institutional and capacity building in the area of food safety management. In the area of capacity building, more emphasis needs to be given to the development and dissemination of guidance documents and tools, and the establishment of partnership agreements with relevant institutions and the private sector with relative de-emphasis on direct implementation of training.

Proposed areas of emphasis for 2012-13

26. Work under D01 will focus on: (1) Joint FAO/WHO expert meetings on biotoxins to support the work of the Codex Alimentarius Commission to develop guidelines for safe management of marine products and other recommended measures to prevent and control contamination; (2) an expert meeting on food safety risk assessment of viral infection of foodstuffs to guide risk-based management at national level in accordance with relevant Codex guidance.

27. Work under D02 will focus on: (1) guidance to policy makers on investment in strengthening food control systems; and on sustainable diets; (2) working with partners to ensure improved utilization of information from health and productive sectors to guide food safety strategy and policy.

28. Work under D03 will focus on: (1) establishment of partnership agreements with relevant institutions to implement capacity building activities; (2) dissemination of documents and tools (including traceability systems and guidance on equivalence) for capacity building in various food safety management disciplines (3) strengthening of EMPRES-Food Safety and its integration with the FAO/WHO International Food Safety Authorities Network (INFOSAN) .

29. Work under D04 will focus on: (1) increasing application of a multidisciplinary approach to improve efficiency and effectiveness of food safety management along the food chain (2) appraisal of post-harvest food quality losses in the major commodity chains and preparation of normative products on reduction of these losses.

VI. Strategic Objective F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
F01 - Countries promoting and developing sustainable land management	11.0	11.3	22.3
F02 - Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems	11.6	31.8	43.4
F03 - Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources	4.7	5.7	10.4
F04 - An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development	5.2	15.5	20.7
F05 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy	12.8	16.4	29.2
F06 - Improved access to, and sharing of knowledge, for natural resource management	9.3	4.2	13.5
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	54.6	84.8	139.4

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

30. All projection models illustrate the increasing scarcity of natural resources particularly water, land and genetic resources. With the present population growth, increased energy needs and climate change scenarios, the conservation and sustainable use of these resources needs urgent attention. There is increasing need for an even more integrated and multidisciplinary approach based on a livelihood perspective in order to assist smallholders in raising productivity while maintaining the natural resources base.

31. It is becoming more urgent that the agriculture sector receive higher visibility in the United Nations Framework Convention on Climate Change (UNFCCC) negotiations, in view of its important role both as an emitter of greenhouse gases and as part of the solution to climate change. It is crucial that financing mechanisms emerge from the UNFCCC negotiations that enable agriculture, in particular smallholder agriculture, to adapt to the impacts of climate change, contribute to its mitigation and benefit from relevant technologies. In parallel, there remains a pressing need for practical support and tools for adaptation and mitigation activities, including those related to UN-REDD (Reduction of Emissions from Deforestation and Forest Degradation), crop forecasting and climate change-friendly energy technologies.

32. Recent debates on liquid biofuel large-scale development and other international investments in land are further validating the need for FAO to develop draft voluntary guidelines

on responsible governance of tenure of land and its interface with other natural resources. The challenges of achieving the Millennium Development Goals (MDGs) by increasing the use of climate-change friendly yet affordable energy techniques deserve urgent attention.

33. Cross-departmental work on “Food for the Cities” should continue to address not only access to sustainable diets, but also protection and sustainable management of natural resources both within cities and in surrounding areas as well as involvement of local governments.

34. The publication State of Land and Water (SOLAW) planned during the current biennium, will point out the emerging need to put the availability of natural resources in a wider perspective. SOLAW could form the foundation for an enhanced natural resources monitoring activity and is integrated in global perspectives for natural resources that would complement FAO global perspective studies and influence national, regional and global policies.

35. Following the recent evaluation of FAO’s work on water, the recommendation for an “FAO Water Platform” needs to be taken up urgently.

Proposed areas of emphasis for 2012-13

36. A fully functional water platform will bring together all technical divisions and decentralized offices, support a quality field programme and ensure improved visibility of the role of water in terms of both productivity and multiple uses. The FAO water platform should promote increased investment in water use efficiency and enhance the strategic position of the Organization in international discussions and its operational effectiveness (F02).

37. The priorities in the field of genetic resources are well defined in the Multi-Year Programme of Work adopted by the CGRFA (F03). As regards tenure of, and access to natural resources, assistance to countries for the implementation of the Voluntary Guidelines on responsible governance of tenure of land will be required after their approval, foreseen in late 2011 (F04).

38. Adaptation to, and mitigation of climate change and related energy requirements for agriculture development will remain high priority issues and require a range of actions at the national, regional and international level (F05). In addition it is foreseen to give greater emphasis to interdisciplinary work on Food for the Cities and territorial approaches.

39. Increased emphasis is envisaged in relation to natural resources monitoring in support to global perspective studies and policy guidelines on natural resources management, as well as in contributing to the next UN Summit (RIO+20 in 2012) which is likely to focus on the “green economy” and revisit the main international environmental agreements (F01, F02, F03, F04 and F05).

40. In response to members' demands concerning research and extension, knowledge sharing and communication for development, increased work is foreseen on policy guidelines and practical tools for actors in national agricultural innovation systems, including natural resource management and climate change adaptation and mitigation (F06).

VII. Strategic Objective G - Enabling environment for markets to improve livelihoods and rural development

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
G01 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements	9.8	29.3	39.1
G02 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships	3.0	11.0	14.00
G03 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries	7.4	9.3	16.7
G04 - Countries have increased awareness of and capacity to analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies	21.4	2.1	23.5
G - Enabling environment for markets to improve livelihoods and rural development	41.6	51.6	93.2

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

41. SO G addresses in particular the enhancement of the ability of small producers to exploit market opportunities and improvement of the efficiency of markets and institutions. The Organizational Results relate to different facets of markets and policy: integration of small producers into markets (G01); rural employment (G02); agribusiness development (G03); and international agricultural markets and trade policy (G04). The current formulation of Strategic Objective G takes account of discussions at the 21st Session of COAG in 2009, on issues relating to small producers. Linkages to other FAO work in support of rural development have been made more explicit.

Proposed areas of emphasis for 2012-13

42. Strategies and policies for smallholder agriculture (G01, G03 and G04). The intention is to analyse processes of smallholder development and identify and promote the institutional structures, as well as the policies that are most conducive to integrating smallholders into modern markets, improving their competitiveness, expanding their production potential, improving their working conditions and enhancing livelihoods and rural development.

43. Market volatility and its impact on food security (G04). The intention is to analyse market price volatility at both national and international levels, with emphasis of how poorer and more vulnerable countries can cope with increased market risks, through country-based analyses, best practices, lessons learned, and policy guidance for managing external and internal price volatility.

44. Inclusive rural development (G01 and G02). The intention is to provide conceptual and analytical frameworks for the analysis of differentiated transitional pathways of smallholder agriculture development, focusing on rural institutions and rural labour markets. This is to be

coupled with policy advice on institutional arrangements and decent work aspects of employment, aiming at increased productivity, incomes, food security and poverty reduction.

45. Strengthening agribusiness and agro-industries (G03). The intention is to strengthen the capacity of public and private sectors to develop competitive enterprises, particularly small and medium enterprises, in terms of both technologies and management. Emphasis will also be placed on agribusiness strategy development, on the capacity of ministries of agriculture and other institutions to support agro-industries and on promoting improved financial services and risk mitigation mechanisms for value chains.

46. Foreign investment in developing country agriculture (G04). The intention is to analyse the recent increase in foreign investment in developing country agriculture, especially in land, particularly in relation to food security, poverty reduction, rural development, rural employment, technology and access to land and water.

47. Regional and global agricultural trade policy (G04). The intention is to provide analyses of negotiating issues and related technical assistance (WTO Doha Round negotiations) and assistance on implementation issues following the eventual conclusion of the Round.

48. Implications of climate change (G01, G02 and G04). The intention is to analyse the impact of climate change on small producers, as well as the implications for trade patterns and relevant policies and international arrangements.

VIII. Strategic Objective H - Improved food security and better nutrition

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
H01 - Countries and other stakeholders have strengthened capacity to formulate and implement and monitor coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition	16.0	51.7	67.7
H02 - Member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security	4.2	5.9	10.1
H03 - Strengthened capacity of member countries and other stakeholders to address specific nutrition concerns in food and agriculture	3.7	2.6	6.3
H04 - Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition	12.0	9.5	21.5
H05 - Member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge	24.6	20.1	44.7
H - Improved food security and better nutrition	60.5	89.9	150.4

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

49. Key issues, challenges, assumptions and risks identified so far for SO H remain valid. A particular challenge at this juncture is the impact of the global economic and financial crisis on development efforts. Furthermore, poverty in industrialized countries might entail even greater than anticipated impacts on opportunities and incomes of economic migrants, while also reducing the demand for goods and services from less industrialized countries. Systemic weaknesses will require addressing poverty, food insecurity and malnutrition concerns from a truly global perspective, through in-depth analysis and greater advocacy in support of improved governance (e.g. through the appropriate management of global financial markets, more equilibrated and sustainable energy provision and use, and reduced imbalances in global value chains). Furthermore, member countries will have to strengthen resilience to external shocks.

Proposed areas of emphasis for 2012-13

50. The five Organizational Results reflect the wide diversity and multi-disciplinarity of work planned by FAO towards improved food security and better nutrition. The following areas of work will be emphasized:

- a) Across all OR's, partnerships with the Rome-based agencies and the CGIAR will be enhanced. Furthermore, the importance of strengthened knowledge networks and advocacy is to be fully recognized.
- b) The formulation and implementation of coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition will be guided in part by the L'Aquila Food Security Initiative (AFSI) through the AFSI Group, which has adopted the "Rome Principles for Sustainable Global Food Security" (H01).
- c) In direct follow-up to the Joint FAO/WFP Evaluation of Information Systems for Food Security (ISFS), individual strategies are being developed by FAO and WFP – in addition to a joint strategy (H01).
- d) Policy assistance at national and regional levels shall be assisted by the holding of an International Conference on Nutrition 20 years later (ICN+20) designed to mobilize political support and resources necessary for achieving the pertinent MDGs (H01).
- e) Work on the Right to Food will be stepped-up, through capacity development at country level, technical advice and advocacy. Furthermore, greater engagement by all FAO units will be needed (H02).
- f) Integrating nutrition objectives into agricultural development frameworks and into adaptive strategies will help to respond to the changing global environment (climate change, global recession, bio-fuels, demographic pressure) (H03)..
- g) A global strategy for improving rural and agricultural statistics and information will be implemented (re-engineering FAOSTAT, development of a Statistical Data Warehouse, support to national agricultural statistics systems, and developing a repository in FAO for household surveys in rural areas) (H04).
- h) Greater emphasis will be given to strengthen capacities of Member States and partner agencies in establishing knowledge networks that will improve the availability of up-to-date and relevant information to meet the needs of policy makers and technical experts in agriculture, food security and nutrition (H05).

51. Support to countries will be provided in particular through a) raising awareness and negotiating capacities on global issues; b) providing evidence-based policy advice on global-national interdependencies; and c) institutional capacity building to formulate and monitor policies affecting poverty and food security from an economy-wide perspective.

IX. Strategic Objective I: Improved preparedness for, and effective response to, food and agricultural threats and emergencies

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra- budgetary	Total
I01 - Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions	4.6	54.1	58.7
I02 - Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions	2.1	51.2	53.3
I03 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development	1.1	266.9	268.0
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	7.8	372.2	380.0

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

52. SO I is designed to expand and integrate FAO's relief and rehabilitation responses through a more holistic programme cycle paying attention to peoples' livelihood and resilience strategies and national, local and community-based institutional capacity to prevent, protect and restore lives and livelihoods; more specifically through:

- a) strengthened the capacity of peoples and institutions to reduce and manage disaster risk, and engage in disaster risk reduction;
- b) preparedness, prevention and mitigation strategies;
- c) improved analytical and policy framework to support early warning;
- d) adequate response options analysis, based on broad livelihoods assessments;
- e) adequate, timely and short-term responses based on do no harm principles for asset replacement with appropriate targeting when needed; and
- f) embedding longer-term livelihood rehabilitation and development strategies in short-term humanitarian response.

53. This underlying logic to SO I has not changed since the adoption of the Strategic Framework, while priority has been given to:

- a) integration of the different FAO technical and normative components within a Disaster Risk Management (DRM) approach; and
- b) improving the capacity for joint DRM planning and programming at the global, regional and country levels.

54. Recent crises such as Haiti, and the on-going work in surveillance, preparedness and prevention under the EMPRES programmes and the Food Chain Crisis - Emergency Management Unit, have confirmed the importance of developing the DRM framework as a corporate approach, adjusting Unit Results accordingly.

55. The Evaluation of FAO's Operational Capacity in Emergencies⁶ provides the basis for actions to adapt corporate culture and business models to successfully deliver expected SO I results.

Proposed areas of emphasis for 2012-13

56. SO I and the three ORs (I01 preparedness, I02 response, I03 transition) will ensure that FAO's technical and operational capacities are harmonised and accessible within a corporate DRM approach. FAO must also ensure that agriculture and food security become key components of national DRM strategy and action plans. This will be done in strong partnership with line ministries and institutions. This will require:

- a) raising extra-budgetary resources for countries to access FAO's technical and operational support (more challenging in the context of an overall decrease of funding for humanitarian crises and development due to the volatile financial international context);
- b) strengthening of external partnerships and strong prioritisation of the joint FAO-WFP food security cluster;
- c) development of a DRM capacity building and training programme for both FAO country teams and regional/national government counterparts and partners.

X. Strategic Objective K – Gender equity in access to resources, goods, services and decision making in the rural areas

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra-budgetary	Total
K01 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development	2.1	0.8	2.9
K02 - Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources	2.6	5.8	8.4
K03 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development	3.2	6.1	9.3
K04 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work	2.4	0.0	2.4
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	10.3	12.7	23.0

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

57. The recent widespread food and economic crises demonstrated that gender inequalities in access to productive resources, especially land, not only enhanced the vulnerability of female headed households, but also contributed significantly to the increase in the number of undernourished people. It remains essential for all of FAO units to fully address the gender aspects of issues that are critical to food security.

⁶ PC/103/7-FC 132/10. Evaluation of FAO Operational Capacities in Emergencies

58. There is a parallel need to strengthen capacity at country level to incorporate gender and social equality issues in agriculture, food security and rural development policies, programmes and projects and using sex-disaggregated statistics and other relevant information and resources.

59. Finally, the implementation of Joint UN Programmes in recent years has demonstrated that addressing rural gender and food security issues cannot be effectively done in the absence of a strong FAO component. It is all the more important to redress this, particularly as regards joint work at country level with other partners, UN agencies in particular, but other key stakeholders as well.

Proposed areas of emphasis for 2012-13

60. Three aspects will be emphasized:
- a) Capacity building for FAO staff and mainstreaming gender issues in the organization's technical work, both at Headquarters and in decentralized offices (regional and sub-regional offices) (K04).
 - b) Support to countries in the formulation of gender-sensitive, inclusive and participatory policies in agriculture and rural development (K03 and K02).
 - c) Ensuring that gender issues are adequately mainstreamed in UN programmes and policies for food security, agriculture and rural development (K01).

XI. Strategic Objective L: Increased and more effective public and private investment in agriculture and rural development

2010-11 Resource distribution by Organizational Result* (USD million)

Organizational Result	Net Approp	Extra- budgetary	Total
L01 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks	11.4	13.8	25.2
L02 - Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations	8.3	14.1	22.4
L03 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed	18.9	23.9	42.8
L - Increased and more effective public and private investment in agriculture and rural development	38.6	51.8	90.4

*C 2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

Emerging issues, lessons learned and evaluations

61. FAO's support to the implementation and follow-up of the L'Aquila Food Security Initiative (AFSI) which supports regional and country-led agriculture and food security plans through a strong multilateral system, increased donor harmonization and collaborative and coordinated actions, is gaining momentum. FAO is facing increasing demand to assist in country-led planning and investment programme formulation, notably in the context of the Comprehensive Africa Agriculture Development Programme (CAADP). This will continue over the next few years, as country investment plans must be translated into programmes with subsequent implementation support. FAO also contributed to the development of the Global Agriculture and Food Security Programme (GAFSP) and expects to play an active role in its implementation.

62. The recent evaluation of FAO's activities on capacity development in Africa highlighted the importance of needs assessment and of partnerships for delivery, which should be reflected in future work. Programming under SO L will also reflect the increased focus on impact evaluation of investment in food Security, agriculture, and rural development. Future SO L activities will further be informed by the findings of the SOFA 2011 on "Investing in Agriculture".

63. The work planning and peer review carried out in early 2010 highlighted the close complementarity of the work on private agricultural investments carried out under SO G with SO L results and work plans.

Proposed areas of emphasis for 2012-13

64. FAO's support to investment will remain country driven, also through FAO's important partnerships with the International Financial Institutions (IFIs).

65. Implementation and follow up of AFSI, and in particular support to CAADP will be a central area of work in the next biennium. FAO will also play an active role in implementing activities under the GAFSP (mainly L03).

66. As regards capacity development for investment, due emphasis will be placed on the establishment and consolidation of regional partnerships to upscale delivery, reduce costs and increase sustainability, in line with FAO's corporate strategy on capacity development. National level capacity development programmes on investment planning should be further integrated into the National Medium-Term Priority Frameworks (NMTPFs) (L02).

67. The Programme Committee at its 102nd Session (July 2009) invited greater resources to ORs L01 and L02. This should be achieved while maintaining FAO's core expertise and focus on supporting country-led investment programming. The gradual expansion of upstream and capacity development work for investment will remain a priority in the next MTP and PWB. This is particularly the case for L02 which is a priority for FAO but can only be supported to modest degrees through FAO's cooperative agreements with the IFIs.

ANNEX A: THE NEW RESULTS-BASED APPROACH IN FAO

68. The four-year Medium Term Plan applies the principles and major elements of the results-based approach. The major elements, as set forth in the Strategic Framework, comprise:

- **Global Goals** representing the fundamental development impacts, in the areas of FAO's mandate, which the countries aim to achieve;
- **Strategic Objectives** contributing to the achievement of the Global Goals;
- **Functional Objectives** providing the enabling environment for FAO's work;
- **Organizational Results** defining the outcome of FAO's work under each Strategic and Functional Objective; and
- **Core Functions** as the critical means of action to be employed by FAO to achieve results.

69. The eleven Strategic Objectives agreed in the Strategic Framework reflect the assessment of challenges and opportunities facing food, agriculture and rural development. They express the impact, in countries, regions and globally, expected to be achieved over a long-term (ten-year) timeframe by Members based on FAO's value-added interventions. In order to ensure that all aspects of FAO's work are considered within a results-based framework, complementary Functional Objectives assist the Organization to ensure effective impact of technical delivery, with due attention to efficiency and, therefore also firmly contribute to the achievement of Strategic Objectives (see Figure 1).

70. Under the Strategic Objectives, the more specific Organizational Results represent the outcomes expected to be achieved over a four-year period through the taking-up and use by countries and partners of FAO's products and services. The identification of Organizational Results also applies to Functional Objectives.

71. The eight Core Functions draw on FAO's comparative advantages and are to be applied at all levels: global, regional and national. They are subject to articulated strategies to ensure coherent approaches, cooperation among organizational units, mutual learning and the pursuit of excellence.

72. The Organizational Results, as measured by indicators, constitute the backbone of the four-year Medium Term Plan and biennial Programme of Work and Budget, reflecting the substantive priorities upheld by the membership (see MTP section C and PWB section IV).

73. Other tools to inform the development, and contribute to the achievement of the Organizational Results and Strategic Objectives include:

- National Medium-term Priority Frameworks which are developed together with the concerned governments to focus FAO's efforts on well-identified national needs;
- structured and consultative development of subregional and regional areas of priority action, including *via* the Regional Conferences and specialised Regional Commissions; and
- at the global level, a limited number of Impact Focus Areas to help mobilise voluntary contributions for priority groups of Organizational Results, providing a communication and advocacy tool, and with an emphasis on capacity building and policy frameworks.

74. During implementation, progress towards the achievement of the Organizational Results, as measured through their indicators, will be tracked. This results-based monitoring will permit the identification of any issues that could prevent FAO from delivering the Organizational Results, and provide the opportunity to make in-course adjustments and changes to forward planning. Biennial implementation reporting under the new results-based regime will change significantly, both in terms of content and presentation. Future reports will focus on achievement of outcomes as measured against targets specified in the Medium Term Plan and Programme of Work and Budget, rather than activities and outputs.

*Figure 1: Main components of FAO's results framework***FAO's vision**

A world free of hunger and malnutrition where food and agriculture contributes to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner.

The three Global Goals of Members:

- reduction of the absolute number of people suffering from hunger, progressively ensuring a world in which all people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
- elimination of poverty and the driving forward of economic and social progress for all, with increased food production, enhanced rural development and sustainable livelihoods;
- sustainable management and utilisation of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.

Strategic Objectives

- A. Sustainable intensification of crop production
- B. Increased sustainable livestock production
- C. Sustainable management and use of fisheries and aquaculture resources
- D. Improved quality and safety of foods at all stages of the food chain
- E. Sustainable management of forests and trees
- F. Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture
- G. Enabling environment for markets to improve livelihoods and rural development
- H. Improved food security and better nutrition
- I. Improved preparedness for, and effective response to, food and agricultural threats and emergencies
- K. Gender equity in access to resources, goods, services and decision-making in the rural areas
- L. Increased and more effective public and private investment in agriculture and rural development

Functional Objectives

- X. Effective collaboration with Member States and stakeholders
- Y. Efficient and effective administration

Core Functions

- a. Monitoring and assessment of long-term and medium-term trends and perspectives
- b. Assembly and provision of information, knowledge and statistics
- c. Development of international instruments, norms and standards
- d. Policy and strategy options and advice
- e. Technical support to promote technology transfer and build capacity
- f. Advocacy and communication
- g. Inter-disciplinarity and innovation
- h. Partnerships and alliances

ANNEX B: STRATEGIC AND FUNCTIONAL OBJECTIVE RESOURCE DISTRIBUTION 2010-11

B.1. Strategic and Functional Objective Resource Distribution by OR⁷ (USD millions)

SO/FO	OR-1		OR-2		OR-3		OR-4		OR-5		OR-6		Net Approp	Extra-budgetary	Total
	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary			
A	19.4	41.9	13.9	11.7	7.2	9.4	9.8	129.1	-	-	-	-	50.4	192.1	242.5
B	11.0	21.3	12.5	126.9	6.6	6.7	2.5	-	-	-	-	-	32.6	155.0	187.6
C	19.3	11.8	7.8	11.1	7.7	23.7	10.0	11.1	5.5	21.5	6.8	8.5	57.1	87.7	144.8
D	13.5	5.4	3.5	1.2	4.4	11.4	3.8	0.1	-	-	-	-	25.3	18.1	43.5
E	9.8	28.0	6.0	1.3	6.8	16.5	6.0	6.4	7.5	17.9	7.5	7.9	43.6	78.1	121.7
F	11.0	11.3	11.7	31.8	4.7	5.7	5.2	15.5	12.8	16.4	9.3	4.2	54.6	84.8	139.4
G	9.8	29.3	3.0	11.0	7.4	9.3	21.4	2.1	-	-	-	-	41.6	51.6	93.2
H	16.0	51.7	4.2	5.9	3.7	2.6	12.0	9.5	24.6	20.1	-	-	60.5	89.9	150.4
I	4.6	54.1	2.0	51.2	1.1	266.9	-	-	-	-	-	-	7.8	372.2	380.0
K	2.1	0.8	2.5	5.8	3.2	6.0	2.4	0.0	-	-	-	-	10.3	12.7	23.0
L	11.4	13.8	8.3	14.1	18.9	23.9	-	-	-	-	-	-	38.6	51.8	90.4
X	45.0	9.7	93.0	4.2	24.7	1.2	62.8	3.2	-	-	-	-	225.5	18.3	243.8
Y	69.6	12.7	27.6	3.7	25.7	2.2	-	-	-	-	-	-	122.9	18.6	141.5
FAOR													88.2	14.2	102.4
TCP													111.7	-	111.7
Cont													0.6	-	0.6
CapEx													27.1	-	27.1
Security													24.9	0.8	25.7
<i>Less: Unidentified Further Efficiency Gains and One-Time Savings</i>													(22.8)	-	(22.8)
Total													1,000.5	1,245.9	2,246.4

⁷ C2009/15 MTP/PWB Annex III adjusted for approved budget level including cost increases and before distribution of unidentified further efficiency gains and one-time savings

B.2. Strategic and Functional Objective Resource Distribution by OR (percentage across Objective)

SO/FO	OR-1		OR-2		OR-3		OR-4		OR-5		OR-6		TOTAL		Total
	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	Net Approp	Extra-budgetary	
A	39%	22%	28%	6%	14%	5%	20%	67%	0%	0%	0%	0%	100%	100%	100%
B	34%	14%	38%	82%	20%	4%	8%	0%	0%	0%	0%	0%	100%	100%	100%
C	34%	13%	14%	13%	14%	27%	17%	13%	10%	25%	12%	10%	100%	100%	100%
D	53%	30%	14%	7%	17%	63%	15%	1%	0%	0%	0%	0%	100%	100%	100%
E	23%	36%	14%	2%	16%	21%	14%	8%	17%	23%	17%	10%	100%	100%	100%
F	20%	13%	21%	37%	9%	7%	9%	18%	23%	19%	17%	5%	100%	100%	100%
G	24%	57%	7%	21%	18%	18%	51%	4%	0%	0%	0%	0%	100%	100%	100%
H	26%	58%	7%	7%	6%	3%	20%	11%	41%	22%	0%	0%	100%	100%	100%
I	59%	15%	26%	14%	14%	72%	0%	0%	0%	0%	0%	0%	100%	100%	100%
K	20%	6%	25%	46%	31%	48%	24%	0%	0%	0%	0%	0%	100%	100%	100%
L	30%	27%	21%	27%	49%	46%	0%	0%	0%	0%	0%	0%	100%	100%	100%
X	20%	53%	41%	23%	11%	7%	28%	17%	0%	0%	0%	0%	100%	100%	100%
Y	57%	69%	22%	20%	21%	12%	0%	0%	0%	0%	0%	0%	100%	100%	100%