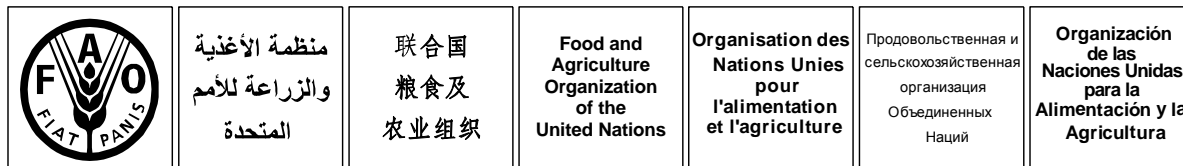


June 2013



## CONFERENCE

**Thirty-eighth Session**

**Rome, 15-22 June 2013**

**Statement of the Director-General**

*His Excellency Mr President of Benin,*  
*His Excellency Mr President of Togo,*  
*His Excellency Mr Vice-President Nicaragua,*  
*His Excellency Mr Prime Minister of Sao Tome and Principe,*  
*Distinguished Ministers,*  
*Honourable Ambassadors, Permanent Representatives,*  
*Distinguished Delegates,*  
*Ladies and Gentlemen,*

It gives me great pleasure to welcome you to FAO for this Conference.

We had a good start on Saturday. We had the honour to hear an inspired McDougall Lecture by Nobel Laureate Professor Amartya Sen, and yesterday we recognized the success of 38 countries that have already reached the Millennium Development Goal target of halving the proportion of undernourished people. Eighteen of them have also reached the World Food Summit goal of halving the total number of hungry people. They set the tone for what I am confident will be a very constructive and interesting week.

*Ladies and Gentlemen,*

The foundation of FAO in 1945 reflected the need for better global food governance and for collective responsibilities. But it was also driven by idealism: the belief that it was possible to achieve universal “freedom from want” and that this was “essential for lasting peace”. In a world devastated by World War Two, increasing the then insufficient food production was the natural response to hunger, and we have been able to do so with great success. Average food output per person has grown by nearly 40 percent in the last decades. But the increase in food production has come at a high environmental cost because of the intensive use of natural resources and chemical inputs. And, despite higher

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production, nearly 870 million people are still chronically hungry, at least 2 billion suffer from other forms of malnutrition.

If we keep looking at hunger simply in terms of food production, we will not solve this problem, as Professor Amartya Sen reminded us last Saturday in his McDougall Lecture in this very Plenary Hall. As he pointed out, hunger and starvation result from the fact that people do not have enough food to eat; that does not mean that there is insufficient food available.

The world already produces enough food. The main cause of hunger nowadays is the lack of access: hundreds of millions of people do not have the income to buy the food they need or the means to produce it for themselves. As Professor Sen added, this is an important point to emphasize, because public policies and debate on hunger are often geared entirely to food production problems.

Nowadays, to guarantee food security, it is essential to incorporate the access dimension into our responses, alongside our continued support to sustainably increasing food production. Different countries are successfully using approaches that combine production and access. For example, in stimulating income generation through better employment opportunities and strengthened social protection networks.

Reinforcing the support that FAO already offers to our Members in this area is one of the advances that I am proposing in the Organization. This way, we can make a more significant contribution to reaching a hunger-free and sustainable world.

*Ladies and Gentlemen,*

When I ran for the office of Director-General two years ago, I presented my vision of how I would like to transform FAO. This vision was based on sharpening the focus of our work, listening more and responding better to the needs of our member countries, in strengthening our work with key partners, and increasing efficiency and value for money. Since you elected me, I have worked to implement this vision. Today, I want to share with you some of the things that we have accomplished.

First, we have sharpened the focus of FAO's work through the strategic thinking process we embarked on when I took up office. This collective construction has resulted in five strategic objectives and a sixth technical one. As a whole, they embody what we believe should be the focus of FAO's work.

Second, we are becoming more efficient. We have successfully started to implement a new business management system: the Global Resource Management System (GRMS) now links FAO offices worldwide, reduces transaction costs and increases accountability and transparency. A critical review of posts has led to the elimination of nearly 90 positions, mainly from the administrative side of the Organization. We have found unprecedented efficiency savings of nearly 45 million dollars since you elected me. Part of these savings are being reinvested into FAO's substantive work, for example:

- To implement six regional initiatives, one for each region and two in Africa, responding to priorities identified by the last regional conferences.
- To create around 50 professional posts in our regional and sub-regional offices, strengthening FAO's capacity to respond to the needs of our Members, without weakening our global technical and normative work.

Third, we approved strategies for partnerships with civil society and the private sector. We are also strengthening our work with the academia and with scientific and research institutions, such as the CGIAR Consortium of International Agriculture Research Centres.

And, fourth, we have brought the FAO reform to a successful conclusion. All this will help translate our work into better results where it really matters: at the country level, transforming FAO into a true knowledge Organization with its feet on the ground. That means ensuring that our normative and technical knowledge is more easily available to countries, and bringing back to the global level lessons learned from what we see and apply in the field.

*Ladies and Gentlemen,*

Since I took up office, brick by brick we have laid the foundation we need to improve the assistance we offer our Members. Now it is time for the next step: approve the Programme of Work and Budget for 2014-2015 and the Medium Term Plan for 2014-2017. This is the missing piece that will transform into concrete action the results of the Reviewed Strategic Framework that we have built together. To deliver the proposed Programme of Work, we are asking for a one percent real increase in our budget, plus less than 4 percent to cover inflation and mandatory increases of staff costs.

Let me put this requested budget increase into perspective. It comes after two decades of real budget reductions resulting from the zero nominal growth policy introduced in FAO in the 1994-1995 biennium. In concrete terms, this has meant that FAO's budget has lost 27 percent of its real value in the last 20 years. Said in other words: at a time when the challenges that our Members face are increasing, FAO's capacity to respond to them is diminishing.

This Conference gives us the opportunity to reverse this debilitating downward spiral, this truly vicious circle. When you consider the Programme of Work and Budget, please take into account all that we have already done in the past 18 months. I will maintain this same commitment and will do everything I can to control the increase in FAO costs. However, please bear in mind that most of the decisions that concern staff salaries and benefits, which are responsible for around 75 percent of our budget, are made by decisions that I need to follow and that are taken in New York by the International Civil Service Commission, as mandated by the UN General Assembly.

Also bear in mind that, although we will continue to look at ways to increase our efficiency, there is a limit to what we can do responsibly without affecting our technical capacity. Even with the challenging economic situation that many countries are facing, and that only make the need for solidarity and cooperation even stronger, we believe that the modest increase we are proposing is justified. Especially considering the decline in real budget in the last two decades, and the fact that countries that are facing more difficult economic situations will be paying less in the next biennium due to changes in their assessed contribution.

Also consider that this will be my first Programme of Work and Budget. Endorsing it will have a strong symbolic value. It will show your political support for our new Programme of Work, for meeting the goals of the Organization and our commitment to ensuring humanity's freedom from hunger, as stated in our Constitution.

I hope that during this week we will find consensus on the budget.

It is in times as these, when the challenges are greater, that we need most to show our collective commitment to the Organization and its goals.

*Ladies and Gentlemen,*

This Conference will also be asked to approve a change in the first global goal of the Organization: from the reduction to the eradication of hunger, food insecurity and malnutrition. It is just a word, but it makes a great difference. The eradication of hunger and malnutrition will pay a large dividend in terms of peace and prosperity, from which all countries stand to benefit. And it is a crucial part of the sustainable future we all want.

We have a massive task ahead of us. Let us make sure that we have the capability to deliver on a relevant scale. Looking back at what we have already accomplished since I became Director-General, at the rebuilt trust between Members and the Secretariat, and at the transparent and frank dialogue we have established, I believe that we can do it. And as I have said to you before: I will not be able to do anything except what we can do together.

I wish all of you a successful Conference.

Thank you for your attention.