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Продовольственная и  
сельскохозяйственная  
организация  
Объединенных  
Наций

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación

## TWENTY-SEVENTH FAO REGIONAL CONFERENCE FOR EUROPE

Yerevan, Armenia, 13-14 May 2010

### Agenda Item 8

## REPORT ON FAO ACTIVITIES IN THE REGION 2008-2009 AND THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE 26<sup>TH</sup> REGIONAL CONFERENCE FOR EUROPE

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## I. INTRODUCTION

1. In the 2007/2008 period, the region was confronted with rising food prices. During the second half of 2008, the effects of the financial crisis put added pressure on small food producers and rural populations. Although recovery is underway, the situation remains very fragile. Hence, the global economic and financial crisis affected Eastern Europe and Central Asia particularly severely. FAO activities focused on the countries of Southeastern Europe and the Commonwealth of Independent States (CIS) and Georgia, where the agricultural sector is of major importance to the economy and to rural areas. It may be recalled that the total population of the countries covered by the FAO Regional Office for Europe and Central Asia (REU) is nearly 900 million. The region comprises some of the world's richest countries but also eight Low-Income Food-Deficit Countries (LIFDCs).<sup>1</sup>

2. The present document provides an overview of major activities undertaken by FAO in the European and Central Asian region during the 2008-2009 biennium. Based on the programme structure used in the Programme of Work and Budget (PWB) 2008-2009, for each major programme, the more significant areas are highlighted. Due attention was given to follow up the recommendations stemming from the 26<sup>th</sup> Regional Conference for Europe (ERC), as summarized below. The main studies, workshops and projects in the region were linked as appropriate to such key policy concerns as climate change, the geographical indication of food products, food security and the impact of soaring food prices and of the global financial and economic crisis.

## II. FOLLOW-UP ACTIONS TO THE RECOMMENDATIONS OF THE 26<sup>TH</sup> FAO REGIONAL CONFERENCE FOR EUROPE

3. In compliance with the recommendations of the 26th ERC, prime emphasis was given to the promotion of competitive agriculture, sustainable rural development, environment-friendly methods of agricultural production, traditional regional agricultural products and food, and the mitigation of negative impacts of climate change on agriculture, rural areas, food security, forestry and fisheries.

4. Within the corporate Initiative on Soaring Food Prices (ISFP), support was provided to Armenia, Kyrgyzstan, the Republic of Moldova, Tajikistan and Ukraine. This support was essentially in the form of short- and medium-term direct aid to farmers. A regional consultation hosted by REU in relation to the ISFP projects (under the TCP) served as a platform for broader discussions among countries on the implications of soaring food prices.

5. Based on the 26th ERC recommendations, FAO intensified activities related to the promotion of traditional regional agriculture products and food. The following events have been organized: (i) an international seminar on "Quality Food Products linked to Geographical Origin and Traditions in South-Eastern European Countries", held in Belgrade, Serbia, in December 2008; (ii) a regional expert meeting on "Livestock-Based Geographical Indication (GI) Chain as an Entry Point to Maintain Agro-biodiversity", held in Budapest, Hungary, in October 2009; (iii) an event entitled "Geographical Identification and its contribution to Food Security", during the Green Week Forum in Berlin, Germany, in January 2009. REU also established a Web site linked to GI.

6. The outcomes of the 2008 High-Level Conference on World Food Security convened at FAO headquarters were disseminated at regional level. In addition, the challenges of climate change and bioenergy and FAO's work on climate change adaptation were addressed through

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<sup>1</sup> Armenia, Azerbaijan, Georgia, Kyrgyzstan, the Republic of Moldova, Tajikistan, Turkmenistan and Uzbekistan

participation and inputs to: the Conference on Climate Change and European Agriculture co-hosted by the Hungarian Academy of Sciences (October 2008); the Joint Conference organized by the Hungarian Agricultural Research Institute and the European Union on Climate Change - Challenge for the Training of Applied Plant Scientists (March 2009) and the National Seminar on the Impact of Climate Change on Agriculture and Rural Development in the Slovak Republic (Bratislava, July 2009).

7. Following the recommendations of the 26th ERC, through the project TCP/RER/3203 “Mapping of, and Policy Orientation for Adaptation to Climate Change”; the regional and subregional offices assisted 15 countries in the Central and Eastern Europe and Central Asian subregions in compiling an inventory of studies and assessments of climate change impacts on agriculture and rural areas. Regional and national climate change projections and policy scenarios were reviewed, revealing the low involvement of ministries of agriculture, compared with national environmental agencies. On the basis of a methodological workshop organized in Budapest in November 2009, the project will continue with seminars of country groups to assess the impacts of climate change on crop production, disseminate good farming practices, mitigate the impacts of climate change and promote agriculture’s role in carbon sequestration.

8. Under the “Delivering as One” initiative, active cooperation took place with other United Nations agencies in Albania. FAO contributed to the formulation of one component for the project “Reducing Malnutrition in Children”, supported by the Spanish MDG Fund. Furthermore, in cooperation with the International Labour Organization (ILO), the United Nations Children’s Fund (UNICEF) and the United Nations Development Programme (UNDP), FAO has established a task force to evaluate the impacts of the financial and global economic crisis on agriculture and food security. A joint United Nations conference was held in Almaty, Kazakhstan, in December 2009. In Serbia, REU jointly implemented the project “Sustainable Tourism for Rural Development” together with UNDP, the United Nations Environment Programme (UNEP), UNICEF and the World Trade Organization (WTO), funded by the Thematic Window – Private Sector Development of the Spanish MDG-Achievement Fund.

9. FAO has directly supported the establishment of the intergovernmental body: “Regional Rural Development Standing Working Group (RRD SWG) of South eastern Europe”. In order to formalize this cooperation, a Memorandum of Understanding was signed in February 2010.

10. A special effort was made in 2009 to support existing networks and to strengthen the capacity of local networks, such as the Network of Aquaculture Centres in Central and Eastern Europe (NACEE), the European System of Cooperative Research Networks in Agriculture (ESCORENA), the Access to Global Online Research in Agriculture (AGORA) and the AgroWeb Networking.

11. As mentioned above, a more detailed account of FAO activities for the benefit of the region follows, presented according to the programme structure used in the PWB 2008-09.

### **III. CHAPTER 2: SUSTAINABLE FOOD AND AGRICULTURAL SYSTEMS**

#### **A. MAJOR PROGRAMMES 2.A AND 2.C: CROP PRODUCTION SYSTEMS MANAGEMENT AND DISEASES AND PESTS OF PLANTS**

12. FAO’s activities in the field of crop production and protection aimed at strengthening the technical capacities of agricultural ministries, state seed inspectorates and breeding stations and national seed protection organizations. The main topics covered were seed production, conservation agriculture, integrated pest management (IPM), phytosanitary standards, pesticide management and transboundary pest management.

13. Specific project activities included two projects related to seed production in Armenia and Uzbekistan and one regional project for the countries covered by the Subregional Office for Central Asia (SEC) entitled “Regional seed sector analysis and preparation of regional seed master plans”. A project related to pesticide quality control and residue monitoring was implemented in Armenia and another project was implemented in Kyrgyzstan related to the improvement of laboratory capacities for the quality and safety of agrochemicals.

14. An international consultation was organized in Kazakhstan in July 2009 on Conservation Agriculture for Sustainable Production Intensification for Central Asian countries. Several regional workshops dealt with the implementation of phytosanitary standards and pesticide management practices.

15. Assistance for locust control in Caucasus and Central Asian countries emphasized needed regional cooperation, highlighting the transboundary nature of the locust threat and its impact at regional level.

## **B. MAJOR PROGRAMME 2.B AND 2.C: LIVESTOCK PRODUCTION SYSTEMS MANAGEMENT AND ANIMAL DISEASES AND PESTS**

16. Livestock sector development work analysed options impacting the cattle sector in transition economies, *inter alia* in cooperation with the European Association of Animal Production (EAAP) and focusing on dairy sector development as displayed during the 13th East-West Agricultural Forum during the Green Week, Berlin, in January 2009. In cooperation with the Humboldt University FAO organized a side event at this Agricultural Forum, entitled “Dairy sector development in Eastern Europe”. Projects included support to a national livestock breeding policy and strategy (cattle) in Armenia and to the development of a livestock identification and registration system in Ukraine. A regional expert meeting on “A Livestock-Based Geographical Indication (GI) Chain as an Entry Point to Maintain Agro-biodiversity” was held in October 2009 in Budapest, Hungary.

17. FAO, the World Organisation for Animal Health (OIE) and the World Health Organization (WHO), held regular meetings on the “Global Framework for the Progressive Control of Foot-and-Mouth Disease (FMD) and Other Transboundary Animal Diseases” (GF-TADs) in collaboration with the European Union and the European Commission for the Control of Foot-and-Mouth Disease (EUFMD). EUFMD, through an agreement with the European Commission, delivered in 2008-2009, about USD 3 million in assistance to support the three transcaucasus countries and Turkey to maintain and monitor their FMD control programmes. FAO continued to support strategies for transboundary animal and zoonotic disease prevention and control and institutional strengthening and professional capacity building for enhanced animal and veterinary public health.

18. Assistance was provided for the control of brucellosis in Armenia, Bosnia and Herzegovina and Tajikistan through a pilot vaccination programme. FAO continued its assistance with regard to the early detection, prevention and control of Highly Pathogenic Avian Influenza (HPAI) in Eastern Europe and its support to Caucasus and Central Asian countries in the control of FMD disease. The introduction of African Swine Fever in the region received special attention as it is bound to extend from its entry point (Georgia) and has now affected several regions of the Russian Federation. FAO has provided emergency assistance for the prevention, control and elimination of this disease in Armenia and Georgia.

## **C. MAJOR PROGRAMME 2.D: NUTRITION AND CONSUMER PROTECTION**

19. FAO assisted a number of countries in the region to develop food safety strategies and make progress in bringing food control systems into compliance with European Union and

World Trade Organization (WTO) requirements, especially through the application of the Codex Alimentarius standards and accepted principles and approaches to food control.

20. It also supported national food safety authorities in ensuring safe food for domestic markets and export through a series of capacity-building activities on reformed legislative and institutional frameworks, enhanced food inspection and food laboratory capacities, facilitated participation in the Codex standard-setting process and improved food safety standards of food business operators and health protection of consumers. FAO's capacity-building activities in the field of food safety and quality included the projects TCP/RER/3201: Food Safety Capacity Building in Armenia and Georgia, and TCP/AZE/3101(A): Food safety capacity building in Azerbaijan. Additionally, FAO is engaged with national food control authorities to assess food safety needs and support project formulation in Belarus, the Republic of Moldova, The former Yugoslav Republic of Macedonia and Tajikistan.

21. FAO provided support to ten Southeastern European Stability Pact countries through a regional initiative on the coordination of WTO Sanitary and Phytosanitary Measures (SPS) through dedicated workshops in Budapest (February 2008) and in Sofia (September 2009), co-organized with the Commercial Law Development Program (CLDP) and the United States Department of Commerce.

22. The 26th Session of the FAO/WHO Codex Coordinating Committee for Europe (CCEURO)<sup>2</sup> was hosted by the Government of Poland in October 2008. The Committee noted that there was still a need to improve food safety and nutrition in the region.

23. Based on the recommendations of the 26th ERC, FAO organized an international seminar on "Quality Food Products Linked to Geographical Origin and Traditions in South-Eastern European countries", Belgrade, Serbia, December 2008; and provided support to the development and promotion of special quality food linked to GI through a dedicated Web site.

24. FAO contributed to the formulation of the MDG-F project "Reducing malnutrition in children – Albania" (MDGF-2035 – UNJP/ALB/007/SPA) under the Spanish MDG Achievement Fund Thematic Window "Children, Nutrition and Food Security" funded by the Spanish Millennium Development Goals Achievement Fund (MDG-F), which was signed in December 2009.

#### **D. MAJOR PROGRAMMES 2.E, F, G: FORESTRY**

25. Further analysis of the impacts of the political and economic transition on the forestry sector in Eastern Europe was made in close collaboration with relevant partners in the region, namely the United Nations Economic Commission for Europe (UNECE), the Ministerial Conference on Protection of Forest in Europe (MCPFE), UNEP, the Confederation of European Forest Owners (CEPF), the International Council for Game and Wildlife Conservation (CIC) and the World Conservation Union (IUCN). The Joint Work Programme of the FAO European Forestry Commission and the UNECE Timber Committee was also implemented.

26. As a follow-up to the FAO Forestry Outlook Study for West and Central Asia (FOWECA), an in-depth assessment of public forestry institutions was undertaken in Armenia, Georgia, Kazakhstan, Kyrgyzstan and Uzbekistan, examining the effectiveness of organizational reforms in improving forest management, culminating in a regional workshop on "Ongoing reforms of public forestry institutions in Central Asian and Caucasus countries" held in Antalya, Turkey, in May 2009. Possibilities for strengthening forestry education and training were

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<sup>2</sup> Delegates were from Armenia, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, European Commission, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, the Netherlands, Norway, Poland, Portugal, the Republic of Moldova, Romania, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey, United Kingdom, WHO, FAO, WTO and two observer countries (Ecuador and Nigeria)

identified in Central Asian countries. SEC supported participatory implementation of the National Forest Programme (NFP) process (for development of forest policy, strategy and legislation) in Uzbekistan. Decision-makers from Central Asian countries were brought together at a subregional workshop on “Exchange of knowledge and experiences of the NFP process and development of subregional collaboration”, held in Samarkand, Uzbekistan, in May 2009.

## **E. MAJOR PROGRAMMES 2.H, I, J: FISHERIES AND AQUACULTURE**

27. During the reporting period, FAO facilitated the process towards the establishment of the Central Asian and Caucasus Fisheries and Aquaculture Commission. This new Regional Fishery Body was presented to the FAO Council at its Hundred and Thirty-seventh Session. The Agreement received approval from the FAO Council at that session on 1 October 2009 through Resolution No 1/137 under Article XIV, paragraph 2 of the FAO Constitution. Preparatory intergovernmental and steering committee meetings were held in Dushanbe, Tajikistan in November 2008; in Ankara, Turkey in March 2009; and in Trabzon, Turkey in June 2009.

28. FAO supported the Network of Aquaculture Centres in Central-Eastern Europe (NACEE), as the fifth and sixth sessions of NACEE Directors were held in Lviv, Ukraine, in October 2008 and in Torun, Poland in September 2009. An FAO/NACEE Aquaculture Conference extending this cooperation to the Caucasus was held in Yerevan, Armenia, in April 2009. Technical support was also provided to the General Fisheries Commission for the Mediterranean and to the Black Sea Economic Commission (BSEC). Organizational and technical support was given to the European Inland Fisheries Advisory Commission (EIFAC) for an international symposium on “Interactions between the social, economic and ecological objectives of inland commercial and recreational fisheries and aquaculture” which was held in May 2008 in connection with EIFAC’s 25th Session in Antalya, Turkey, and to EIFAC’s Executive Committee meetings. One of the main outcomes of EIFAC was the endorsement by the 25th Session, of a Code of Practice for Recreational Fisheries, published with support from SEC.

29. A fish hatchery was reconstructed in Bosnia and Herzegovina through project GCP/BIH/003/NOR: “Support to Income Generation through the Establishment of a Fish Hatchery”, introducing environmentally-friendly water recirculation techniques. The TCP project “Strengthening Capacity on Aquaculture Health Management” enabled Bosnia and Herzegovina to obtain certification of aquaculture products in relation to European and other neighbouring trading partners.

30. A number of projects were developed and/or implemented in 2008-2009: Training Workshop for Albanian Inland Fisheries Officers (GCP/ALB/006/HUN); “Support to fishery and aquaculture management in the Kyrgyz Republic” (GCP/KYR/003/FIN); “Emergency assistance to Tajikistan in the aquaculture and livestock sector” (TCP/TAJ/3104); “Recovery of the sturgeon population in Turkey” (TCP/TUR/3202); “Development of strategic partnerships in support of responsible fisheries and aquaculture development in Uzbekistan” (TCP/UZB/3103); and in Turkey “Minimizing the risks to the Marmara Sea posed by Algal Blooms” (TCP/TUR/3201). At the regional level, the following projects were developed and implemented: Central Asia Regional Programme for Fisheries and Aquaculture Development (GCP/RER/026/TUR); Capacity building for the recovery and management of the sturgeon fisheries of the Caspian Sea (TCP/INT/3101); “Assistance to Western Balkan countries for improving compliance with International Standards for Aquatic Animal Health” (TCP/RER/3206); and “Advice to Central Asian Governments on the feasibility of commercial fish and livestock feed production” (TCP/RER/3205).

31. The following publications were issued: “Inland fisheries livelihoods in Central Asia”, “Review of the current state of world capture fisheries insurance”; “Capture fisheries and aquaculture in the Kyrgyz Republic”; and “Inland capture fisheries and aquaculture in the Republic of Uzbekistan”.

## F. MAJOR PROGRAMME 2.K: SUSTAINABLE NATURAL RESOURCES MANAGEMENT

32. Land tenure, land consolidation and land management issues are of direct relevance for sustainable rural development in the region and of direct concern to FAO, the World Bank, the European Commission and the UNECE. FAO addressed pressing land tenure, land consolidation and land management issues through the organization of regional workshops and policy consultations, technical publications and field projects at national, subregional and regional levels.

33. Several workshops covered in particular: land consolidation, land banking and information tools for land administration (Prague, Czech Republic, June 2008 [funded through project GCP/INT/790/CEH]); and Santiago de Compostela, Spain, February 2009 (funded by the Regional Government, Galicia). In addition, a Summer School on Soil Survey and Land Management was organized in July 2009 in collaboration with the Szent Istvan University, Gödöllő, Hungary.

34. Technical assistance was provided to Azerbaijan – TCP facility Component 3 “Access to Land for Internally Displaced Persons (IDPs)” (TCP/AZE/3201). In addition, assessment and formulation missions were sent to Albania, Azerbaijan, Bosnia and Herzegovina and Croatia, to elaborate technical assistance projects in land tenure, land consolidation and the sustainable management of natural resources, to be implemented in the next biennium.

35. Publication activities included: (i) Land Tenure Policy Paper “Opportunities to mainstream land consolidation in rural development programmes of the European Union”, May 2008; and (ii) the joint FAO/World Bank publication: “The Changing Face of Rural Space - Agriculture and Rural Development in the Western Balkans”, May 2009.

36. In the land and water sector, the most significant activity was the organization of the regional workshop: “Mutually Beneficial Multilateral Water Agreements: Opportunities to Add Value and Share Benefits in the Energy, Agriculture and Water Sectors in Central Asia through Increased Regional Cooperation”. High-level country participants had the opportunity to discuss innovative ways of addressing increasingly contentious issues of water management and their nexus to the energy and agricultural sectors. Equally important was the enhancement of the technical capabilities of engineers and managers of irrigation schemes from Central Asian countries who benefited from hands-on training on investment plans for upgrading irrigation. Technical support to countries in the improvement of water productivity and in addressing land degradation took place through five projects : “Increasing the resilience of small-scale farmers to the impacts of soaring food prices by improving capacity and the institutional environment for seed production, the use of irrigation technologies and animal identification in Armenia, Kyrgyzstan and Ukraine”; “Boosting the livelihoods of farmers in the Fergana Valley by improving land and water productivity and strengthening Water User Associations”, Uzbekistan, Tajikistan and Kyrgyzstan; “Promotion of water saving technologies in the water scarce area of the transboundary Podshaota river basin”, Uzbekistan; “Soil and Water Management in Irrigation Schemes” Turkmenistan; and “Enhancing the Capacity of Turkey to Adapt to Climate Change”.

37. In 2009, project GCP/RER/024/ASB concluded its support to the Central Asian Initiative for Land Management with training of national experts from Kazakhstan, Kyrgyz Republic, Turkmenistan and Uzbekistan for the preparation of their countries’ Land-use Systems map. Countries have prepared this map as the basis for a georeferenced framework of land degradation assessment in line with the methodology developed by the the Global Environment Facility (GEF)-funded FAO-LADA<sup>3</sup> project. Manuals and guidelines are available also in Russian.

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<sup>3</sup> EP/GLO/502/GEF – Land Degradation Assessment in Drylands (LADA), <http://www.fao.org/nr/lada/>

## **G. MAJOR PROGRAMME 2.L: TECHNOLOGY, RESEARCH AND EXTENSION**

38. Attention was given to building and strengthening weak functional linkages among stakeholders of national agricultural research and extension systems: researchers, academia, private and public extension services, farmers and traders, small and medium enterprises (SMEs), to facilitate innovations, with a resultant positive effect on markets.
39. Projects to strengthen national agricultural research and extension systems were implemented in 2009: UNJP/006/ALB/UNJ “Assessment of current agricultural research and extension system, stakeholder information and communication needs and gaps for providing effective and relevant services to Albanian smallholder farmers” under the United Nations “Delivering as One” programme; and TCP “Technical Support for Human Resources Development of Agricultural Advisory Services” in Albania, Bosnia and Herzegovina, Bulgaria, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and UNMIK, Kosovo.
40. The FAO Bio-DeC database of agricultural biotechnology products and techniques in developing countries and countries with economies in transition was regularly updated with data from Europe and Central Asia. The FAO Glossary of Biotechnology for Food and Agriculture in Russian was adapted for an “online” version in order to facilitate access and operability. A study of biotechnology and biosafety in Belarus was published in 2009.
41. Two projects on biotechnology and biosafety were initiated: TCP/CRO/3102 “Capacity building of regulatory agencies for handling and monitoring genetically modified crops, products and processed food” in Croatia; and a regional project for Armenia, Georgia and the Republic of Moldova - TCP/RER/3102 “Capacity building in agricultural biotechnologies and biosafety”. Under the GCP/INT/790/CEH project, a workshop on “How to establish and implement a risk management system for genetically modified (GM) crops” was organized in Prague in September 2008. A regional workshop for Central Asia: “Risk Assessment and Risk Management in GM Crops” was organized jointly with the International Centre for Agricultural Research in the Dry Areas (ICARDA) in Uzbekistan in June 2008.

## **H. MAJOR PROGRAMME 2.M: RURAL INFRASTRUCTURE AND AGRO-INDUSTRIES**

42. Agribusiness and agro-industries development was supported through regional meetings, including the Global Agro-industries Forum, held in April 2008 in New Delhi, India, where REU addressed specifically Eastern European and Central Asian perspectives in agro-industries development. A Joint FAO-International Food and Agribusiness Management Association Workshop was held at the latter Association’s 19th Annual World Forum and Symposium in June 2009 in Budapest. Issues of farm commercialization and income diversification were addressed by a Joint Conference and Workshop on Farmer Marketing – Opportunities and Challenges funded by the European Union Leonardo da Vinci programme. A further session on the potential for bioenergy production on small- and medium-sized farms in Eastern Europe and Central Asia was organized during the Central Asian Agricultural and Rural Development Policy Forum - Income Diversification for Sustainable Agricultural Growth, held in Ankara, Turkey in October 2009.
43. REU continued work on issues of public private partnership (PPP) models for rural market infrastructure development, documenting the principles and best practices associated with technical components of PPPs to facilitate dialogue between agencies for agricultural development, agribusiness, finance and public institutions.
44. In the fields of agro-industries and marketing as well as capacity building for improved value chain management, assistance delivered through TCP included: revival and development of sericulture in Albania; strengthening the Ministry of Agriculture with regard to agribusiness and

assessment of the hybrid maize seed sector with emphasis on maize seed production in Armenia; assistance to the preparation of an olive and olive oil sector plan of action in Croatia; strengthening the agricultural marketing unit of the Ministry of Agriculture and a sericulture sector study in Georgia; and assistance in strengthening the national capacity for identification of needs, priorities and measures to improve agrifood chain management and performance in the Republic of Moldova. Other TCP projects were implemented: Azerbaijan - assistance to the establishment of a farm data and monitoring system; Montenegro - organic agriculture in Montenegro: concerted support for small-scale growers in organic agriculture by supporting rural development through strengthening the capacity building of the national certification and extension systems for organic agriculture; and Turkey - strengthening the production capacity for silkworm eggs and raw silk in Kozabirlik.

#### **IV. CHAPTER 3: KNOWLEDGE EXCHANGE, POLICY AND ADVOCACY**

##### **A. MAJOR PROGRAMME 3.A: LEVERAGING RESOURCES AND INVESTMENT**

45. The Investment Centre Division (TCI) continued to assist countries in the strategic planning, formulation and evaluation of agricultural and rural development investment operations. Active partners were the World Bank, the European Bank for Reconstruction and Development (EBRD), the International Fund for Agricultural Development (IFAD), GEF, the Islamic Development Bank (IsDB), the OPEC Fund for International Development (OFID) and bilateral donors. In October 2008, FAO signed a Memorandum of Understanding with the Eurasian Development Bank and Kazakhstan's national corporation KazAgro to further expand investment opportunities in the region.

46. During 2008-2009, 16 projects prepared with major TCI inputs, were approved for the region, with a total investment amounting to USD 580.4 million. The World Bank financed institutional development and strengthening of agriculture, land administration and management, and rural enterprise and small-scale commercial agriculture. IFAD supported the development of sustainable rural livelihoods, rural enterprises, agricultural support and rural financial services. A regional GEF project targeted natural resources management.

47. At country level, TCI further strengthened the capacity of national staff to develop and carry out sector reviews and investment operations. TCI-developed a "RuralInvest" package of software and training modules to help identify, formulate and evaluate small- and medium-scale rural investment proposals. In 2008-2009, RuralInvest languages were expanded to include Portuguese, Russian and Turkish. Two workshops were organized on the formulation of agricultural investment projects, the methodologies employed and lessons learned and to utilize RuralInvest. TCI also organized a number of study tours on the management and operation of agricultural warehouses.

48. TCI also works at regional level to help governments analyse and improve their sector investment strategies and to revitalize producer services through fostering public-private partnerships. Such work is focusing on agrifood value chains, export competitiveness, land registration and cadastre and conservation agriculture. Strong collaboration continued with the EBRD which included the organization of several high-level meetings in the region with FAO. In June 2009, the World Bank, FAO and EBRD supported the World Grain Forum in St. Petersburg, which sought solutions to stabilize the provision of grain worldwide to increase global food security. Additional work with the World Bank covered European Union regional and rural policy; international grain reserves and other instruments to address volatility in grain markets; warehouse receipt finance in agriculture; and improved farm mechanization.

49. In 2008, the FAO/Turkey Partnership Programme was established which has begun to have a catalytic impact on FAO field programme development and resource mobilization, particularly in the CIS. In this regard, it may be noted that a Senior Field Programme Officer (SFPO) position was established and filled in REU during this period.

## **B. MAJOR PROGRAMME 3.B: FOOD AND AGRICULTURE POLICY**

50. The most significant analyses and publications in the area of agricultural policy research and capacity building included: a monograph on rural transition in Azerbaijan (Lexington, 2010); five REU policy studies on transition impact on agricultural policies in Central Asia and in the new European Union Member States; an assessment of the impacts of the global financial and economic crisis on the agrofood sector of Central and Eastern European and Central Asian countries, together with country reports on the Republic of Armenia, the Kyrgyz Republic and Ukraine (2009).

51. FAO organized “The Central Asian Agricultural and Rural Development Policy Forum”, 25-28 October 2009 in Ankara, Turkey and provided support to the European Union Delegation in Belgrade, Serbia, for the Instrument for Pre-Accession Assistance for Rural Development (IPARD) programme background studies (2009).

52. Policy assistance also covered the preparation of National Medium-Term Priority Frameworks (NMTPFs). As FAO-government agreements have been reached on priority areas for projects, including policy assistance, NMTPFs have been signed with Albania (“UN Delivering as One” country) and the Republic of Moldova and prepared for signature with the Government of Georgia. NMTPFs in Armenia, Azerbaijan, Kyrgyzstan and The former Yugoslav Republic of Macedonia are under preparation.

53. During work on the NMTPF in Albania, the Ministry of Agriculture, Food and Consumer’s Protection, was informed about the pre-accession process and requirements for harmonization with the European Union Common Agricultural Policy (CAP). Training for Ministry of Agriculture staff, to provide data that were previously unavailable and to assess the impacts of policies, was carried out in Azerbaijan as part of project TCP/AZE/3103: “Assistance for the establishment of a farm data and monitoring system”. Similar training is planned for Georgia and the Republic of Moldova to develop farm accounting systems in order to survey representative samples of farms to provide data on inputs and production, compatible with European Union requirements.

54. REU provided the secretariat to the FAO European Commission on Agriculture (ECA) Working Party on Women and the Family in Rural Development (WPW). The 13th Special Session of the WPW was convened at the request of the 35th Session of the ECA, in Innsbruck, Austria in June 2008. The WPW Secretariat was requested to prepare a proposal for extrabudgetary resources for gender mainstreaming. The 14th Session reviewed activities based on a programme document prepared by the secretariat<sup>4</sup> and addressed the subject: Impacts of migrations on rural communities in CEE and Central Asia transition economies.

55. In view of the global economic and financial crisis, the United Nations Regional Directors’ Team for Europe and Central Asia established a Task Force in which REU participated, especially with regard to the organization of a United Nations conference on the social impacts of the economic crisis. The Task Force decided to concentrate geographically on Eastern Europe, Central Asia and Turkey (the final list of participating countries included Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, the Republic of Moldova, the Russian Federation, Tajikistan, Turkey, Turkmenistan and Ukraine) and thematically on three issues: employment,

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<sup>4</sup> ECA: WPW/09/3 Needs Assessment and Survey 2009; Present Status, Options and Future FAO Activities and Cooperation with Stakeholders in Gender in Rural Development in Europe and Central Asia – Recommendations for the ECA WPW

social protection, and food security and agricultural development. REU contributed with an analysis of the impacts of the economic crisis on food security and the agriculture sector with lessons learned and policy responses of the affected countries and promoted the cooperation of governments with respect to sharing their experiences and concerns on crisis issues. For these purposes two analytical papers were prepared and disseminated to countries. The joint United Nations conference was held in Almaty, Kazakhstan on 7 and 8 December 2009.

56. FAO has directly supported the RRD SWG since its inception in 2005; it is now an intergovernmental organization located in Skopje, The former Yugoslav Republic of Macedonia. Cooperation includes regular participation in their meetings, including in the SWG-organized Agricultural Policy Forums and Ministerial Meetings in 2008 and 2009 and joint implementation of regional capacity-building projects (project TCP/RER/3101, completed in 2009), and the elaboration of new project ideas for TCP funding and capacity-building workshops. In order to formalize this expanding cooperation, a Memorandum of Understanding was signed in early 2010.

57. FAO continues collaboration with the Dinaric Arc Initiative (DAI) relating to natural resource management and rural development policies and contributes to joint workshops and the formulation of cross-border projects in Bosnia and Herzegovina and Croatia “Community-based Rural Development and Natural Resource Management in the Dinaric Area”. Furthermore, FAO pursued close cooperation with the European Commission’s Agriculture and Rural Development Directorate (EC-DG AGRI) in the area of rural development support in the pre-accession countries.

58. FAO participated in the International Green Week Forum in 2008 and 2009, during the Green Week Fair in Berlin, and organized panel discussions with internationally-renowned experts. The 2008 panel discussion topic was “Rural Development and Commodity Mix” and in 2009 “Climate change and its implication in Central Asia, its impact on agriculture and rural development” and a panel discussion on “Geographical Indication and its Contribution to Food Security”.

### **C. MAJOR PROGRAMME 3.D: AGRICULTURE INFORMATION AND STATISTICS**

59. Among the important activities under this major programme is the European Commission/FAO Food Security “Information for Action” Programme (GCP/GLO/162/EC) which was implemented in 2005-2009 under the leadership of the Agricultural Development Economics Division (ESA) in twenty countries, including five countries of the region (Armenia, Georgia, Kyrgyzstan, the Republic of Moldova and Tajikistan). The objective of the Programme was to develop national capacity in producing and using food security information to support policies and programmes. The Programme worked mainly with the ministries of agriculture and the institutes of statistics. Activities included:

- the analysis of household surveys (Armenia, Georgia, the Republic of Moldova);
- the development of a quarterly agriculture survey (Georgia);
- the improvement of the food security bulletins (Georgia);
- the set up of the Global Information and Early Warning System on Food and Agriculture (GIEWS) Workstation, an information management system (Armenia);
- the determination of the nutritional content of traditional foods (Armenia);
- the harmonization of veterinary hygiene and quality control legislation with European Union standards (the Republic of Moldova);
- a strategy to develop inland fisheries and aquaculture (Kyrgyzstan);
- the analysis of the economic effect of land reform (Tajikistan).

60. REU hosted the World Census of Agriculture (WCA) “Roundtable Meeting on the Programme of the 2010 Censuses of Agriculture” in Budapest in November 2009 with the

participation of EUROSTAT, the United States Department of Agriculture (USDA) and 17 countries of the region (among which Italy, Kazakhstan, Poland, Romania and the Russian Federation). REU also co-chaired the workshop on “Gender Disaggregated Data in Agriculture for Central and Eastern European Countries”. Representatives from some seven countries in the region attended. The main focus of the workshop was the re-tabulation of gender specific data from the census results. The Moldova Census Draft Project Document was formulated and finalized under project TCP/MOL/3203 (D) “Preparatory Assistance for the Census of Agriculture in Moldova”. The TCP Facility project TCP/MNE/3202, “Preliminary Technical Assistance for the Agricultural Census” was formulated for Montenegro. Under the TCP Facility project TCP/AZE/3201, a questionnaire was designed on land availability and farm labour potential for internally displaced persons in Azerbaijan.

61. GIEWS provided updated information on the food security situation for more than 16 countries in the region. The knowledge and capacity of countries improved through FAO GIEWS data collection and dissemination of food security information in Azerbaijan, Kyrgyzstan and Tajikistan and through the establishment of early warning instruments in Armenia and Georgia. Assistance was also provided to the Government of Tajikistan on crop prospects assessment.

#### **D. MAJOR PROGRAMME 3.H: KNOWLEDGE EXCHANGE AND CAPACITY BUILDING**

62. Thematic Knowledge Networks were enhanced in Central and Eastern Europe and Central Asia and Caucasus countries. A major achievement was a new server based at FAO Headquarters in Rome that provides a technical grounding and unified technical support (harmonization) for the AgroWeb CEE Network and the European System of Cooperative Research Networks in Agriculture (ESCORENA).

63. Technical assistance was provided to Armenia under project TCP/ARM/3103 “Establishment of a Virtual Extension and Research Information and Communication Network”. The project assisted the Ministry of Agriculture in establishing an effective information system for agricultural development and food security policies and to develop the necessary institutional structures and processes, and build capacities to improve communication and exchange of information between selected agricultural research organizations and extension service providers in Armenia.

### **V. CHAPTER 4: DECENTRALIZATION, UNITED NATIONS COOPERATION AND PROGRAMME DELIVERY**

#### **A. MAJOR PROGRAMME 4.C: FOOD SECURITY, POVERTY REDUCTION AND OTHER DEVELOPMENT COOPERATION PROGRAMMES**

64. During the period under review, operational capacity in the respective Regional and Subregional Offices was strengthened. In 2008, a total of 74 regional and national projects<sup>5</sup> were supported. In 2009, the number of projects increased to 95. Project delivery increased from USD 5.8 million in 2008 to USD 7.5 million in 2009. The majority of delivery was provided to Armenia in 2008 and to Turkey in 2009. Assistance benefited 22 countries, with decreasing delivery to countries of Southeastern Europe and increasing delivery to countries in the South Caucasus and in Central Asia. The trust funds set up by Hungary and Turkey in the respective subregions are expected to be increasingly utilized for field programme development and technical assistance.

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<sup>5</sup> Only development projects excluding emergency activities and Telefood

Delivery of Technical Cooperation by Type of Funding 2008 and 2009 (excl. Emergency and Telefood)

