



منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
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Organisation
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pour
l'alimentation
et
l'agriculture

Продовольственная и
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Наций

Organización
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Unidas
para la
Agricultura
y la
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CONFERENCE

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STRATEGIC FRAMEWORK 2010-2019

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FOREWORD

The first long-term Strategic Framework in FAO's history, covering the 2000-15 period, was adopted by the FAO Conference in November 1999, after an extensive process of internal and external consultations. However, the report of the Independent External Evaluation of FAO (IEE) issued in 2007 unequivocally stated that this Strategic Framework: "has not played the role for which it was intended". Hence, the IEE called for a renewed effort to formulate a Strategic Framework for the Organization, which would stand more effectively at the apex of a revitalised family of planning documents, i.e. with the complementary Medium Term Plan and biennial Programme of Work and Budget, all being firmly based on Results-based Management (RBM) principles.

This call was echoed in the Immediate Plan of Action for FAO's Renewal (IPA) endorsed by the 35th (Special) Session of the Conference in November 2008. Work on the new Strategic Framework is a cardinal feature of the IPA and has further engaged both Members and Secretariat during the year 2009, building on the encouraging signs of inter-governmental agreement on some of its key features at the latter Conference.

The IEE also expected the Strategic Framework: "to be aspirational, but ... grounded in pragmatism and rooted in reality". As usual, any forward-looking document of such nature must start with a thorough assessment of trends and challenges (embodying both risks and opportunities) facing Members in the areas of FAO's mandate. This is the purpose of Section I, which also provides a fitting background to the already endorsed Vision for the Organization and the three Global Goals of Members that are recalled in Section II. So as to confirm its overarching and lasting character, the long-term Strategic Framework embraces also the enhanced results-based regime to which both Members and management committed to via the IPA, as summarised in Section III.

The document then presents the Strategic and Functional Objectives which are to constitute

the major conceptual building blocks of the Organization's total package of activities. These are highlighted in Section IV in abbreviated form, with more detailed articulation in the Medium Term Plan. In view of their potential interest in giving a more concrete feel of anticipated impact, the underlying Organizational Results applying to the initial 2010-13 period have been listed.

These high-level Objectives have been patiently honed through several rounds of intergovernmental consultations, and equally intense internal discussions within the Secretariat during 2009. They should convey the attention paid to ensuring an appropriate mix of those taking a primarily sectoral approach with those of a more multi-disciplinary nature. They necessarily reflect a fair measure of compromise among the many different aspirations prevailing in the Membership, especially at such a complex and critical juncture in the evolution of the food and agriculture sector, both globally and in individual regions and countries, when more than 1 billion people are going hungry.

Finally, the concluding Section V briefly describes the eight core functions singled out in the IPA, while the main strategic choices and orientations which their application involves are elaborated in the Medium Term Plan.

The Strategic Framework is in the first instance a document for Governing Bodies, and it is submitted for approval. It will become a valuable source of basic information and reference in order to meet the needs of broader audiences, including partners of FAO and constituents world-wide. More importantly, it provides the broad principles and the specific guidance on the substance of future programmes of work of the Organization.



Jacques Diouf
Director-General

I. The challenges facing food, agriculture and rural development

Trends, risks and opportunities

1. Fundamental trends will affect food and agriculture at global, national and local levels in the coming decade. Their impacts will generally be felt most strongly in the developing countries, especially as their ability to cope with challenges is more limited. In the shorter term, impact will be compounded by the unfolding global financial and economic crisis.

2. The main challenges facing food, agriculture and rural development are the large and increasing number of undernourished in the world, the prospect of rising inequality and problems of access to food by the most vulnerable populations, and the increased scarcity of natural resources worsened by climate change. Other important concerns include:

- a) further, though slower population growth for the world as a whole, but continued high population growth in developing countries, particularly in LDCs;
- b) rapidly ageing populations in developed and relatively advanced developing countries, and dynamic urbanisation in all developing regions. However, continued predominance of youth is still likely in rural areas of sub-Saharan Africa and South Asia, particularly among the poor;
- c) shifts in food production and consumption patterns, including a growing “double burden” of malnutrition, i.e. the co-existence of undernourishment and over-nutrition;
- d) increasing demands for food due to higher life expectancy and a better nutritional status; but at the same time, stagnating yields of major cereals, especially wheat and rice, and limited growth potential of capture fisheries;
- e) continuing challenges associated with international trade, such as for example, barriers to market access and trade distorting domestic subsidies, which affect both the opportunities and terms of trade for developed and developing countries;
- f) the greater importance of, and concerns about food safety and biosecurity issues, including transboundary pests and diseases;
- g) the need to implement adequate policies in the field of agriculture and food security at national level, policies which should aim at improving productivity in a sustainable manner;
- h) considerable pressures on natural resources such as land, water, forest, aquatic resources and biodiversity, which could also fuel potential conflicts;
- i) climate change and consequent increases in the severity and frequency of weather-related impacts on food production and food security, with more frequent and severe occurrence of emergencies and disasters;
- j) continuing gender and social inequalities in access to productive resources and services, particularly by women, young and indigenous people in rural areas, intensifying their vulnerability to food insecurity and poverty;
- k) demands on agriculture to provide not only food and feed, but also commodities for energy and other purposes;
- l) the interlinkage between energy and agricultural prices and the potential impact that future increases in crude oil prices could have on agriculture prices; and
- m) the importance of good governance at all levels.

3. There are several opportunities to help address these concerns:

- a) continued evolution of the state's principal role of providing policy and regulatory frameworks conducive to sustainable development;

- b) growing number of countries in the middle-income group, and increased role of regional and subregional groupings;
- c) the growing mobility of capital and labour both across borders and within countries;
- d) global governance mechanisms to address issues common to all countries, such as food insecurity, biodiversity loss (in particular the erosion of genetic resources for food and agriculture), climate change, deforestation, declining fish stocks, land and water degradation, and disease emergence;
- e) with respect to international trade, continued efforts to achieve significant improvements to market access, reduce trade-distorting domestic support, reduce or eliminate export subsidies, for the benefit of developed and developing countries, through the successful conclusion of the WTO Doha Development Round;
- f) industrialisation of the food sector, with rapid changes in the organisation and structure of food, markets and services, including growing importance of the modern retail sector, coordination in value chains, specialised procurement practices, product certification and labelling, and contracting;
- g) a broadening base of governance to give full recognition to the roles and interests of the private sector, NGOs, regional economic organizations, regional development banks and other agencies;
- h) increased awareness of the general public regarding environmental, health and development dimensions of food production, trade and consumption systems, prompting governments, civil society and the private sector to act in making food supply chains more environmentally friendly, supportive of human health, and pro-poor;
- i) the opportunities offered by scientific and technological developments to address nutrition, health and environment problems, coupled with the rapid spread of affordable information and communication technologies, supporting global sharing of information and knowledge, and increasing smallholder market access and know-how;
- j) steady increase in payment for environmental services in developing countries (e.g. REDD for forestry);
- k) a new momentum – after decades of neglect – to re-invest in agriculture;
- l) evolving financial and institutional environments, particularly amongst humanitarian actors; and
- m) the evolving role and performance of the UN system in a context of widespread reforms, and the impact of the Paris Declaration on aid harmonisation, alignment and predictability.

4. Furthermore, two main external forces will have a significant bearing on FAO's future work:

- a) increased vulnerability on a global scale to various forms of shocks: e.g. abrupt changes in food prices, movements of people in search of better lives, shifting of climate patterns affecting wide regions, concentration of food production in vulnerable areas; and;
- b) complex, protracted and recurrent crises affecting agricultural livelihoods, food security and the resilience and coping capacity of rural populations which will continue to affect tens of millions of persons globally - in addition to those people affected by sudden and slow onset of natural disasters.

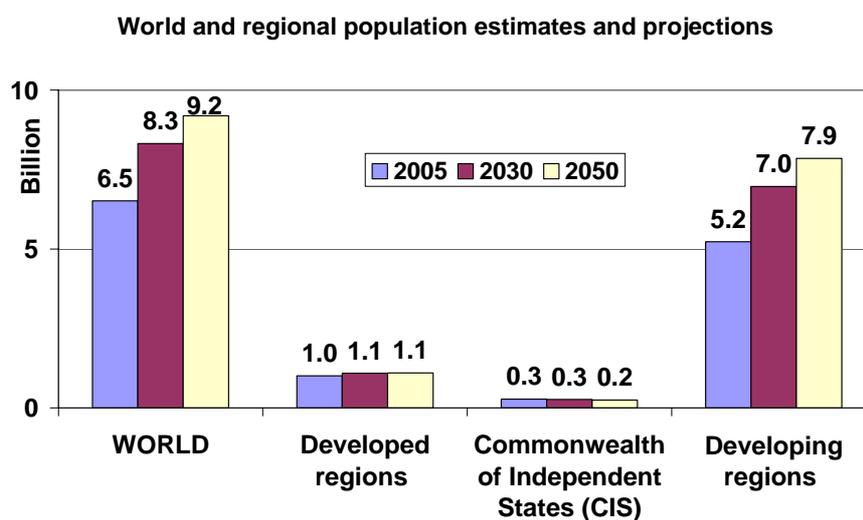
5. The challenges facing food and agriculture can be derived from the detailed projections for population, urbanisation, food demands and distributions systems, food production requirements, fisheries and forestry, rural development, trade, climate change, the incidence of emergencies, implementation of the MDGs, and the evolving development cooperation context.

Population projections

6. According to current projections (UN 2006) the world's population is likely to rise from about 6.5 billion in 2005 to nearly 9.2 billion by 2050. The entire increase of 2.7 billion will take place in developing countries and the share of developed countries and transition economies is projected to shrink (cf. following *Figure 1*).

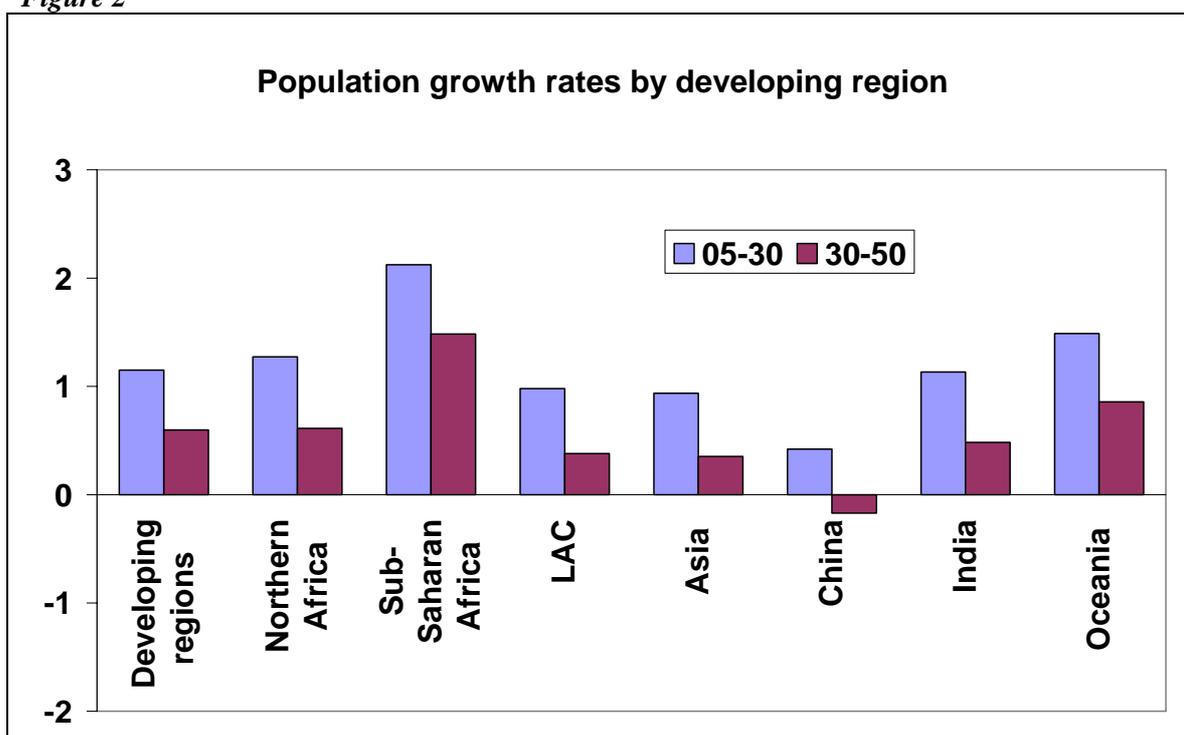
Figure 1

(Source: UN Population Division, 2006 Revision, World Population Prospects)



7. Population growth will be unevenly distributed across and within developing countries. The highest growth rates are expected for sub-Saharan Africa, whose population is expected to double by 2050. For Asia, growth rates are projected to be lower. They are expected to be particularly low for East Asia, where population growth could come to a complete halt by 2030 and turn negative thereafter.

Figure 2



Urbanisation

8. In almost all developing countries, population growth will be concentrated in urban areas. The massive population shift from rural to urban areas will be so pronounced that urban areas will have to absorb nearly 3.9 billion people by 2030. However, rural areas are likely to remain the nucleus of world hunger and to contain the majority of the developing world's population at least through 2015.

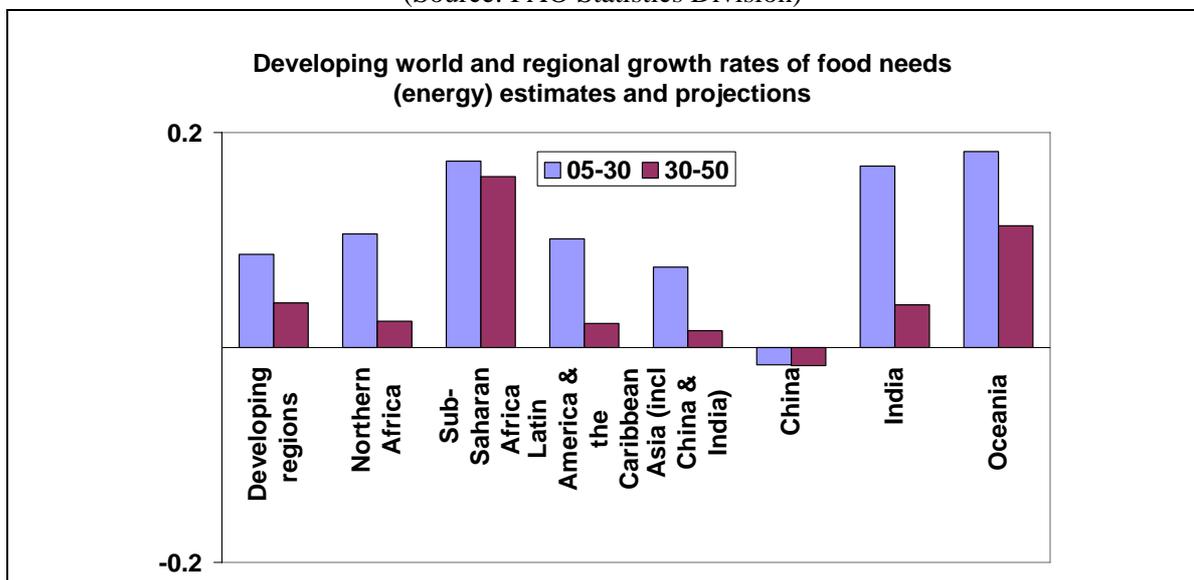
9. The impact of strong urbanisation will be country-specific and can affect hunger and poverty in both positive and negative ways depending on the overall policy settings and national economic structure. Negative impacts are expected to be more acute in poorer countries, where urbanisation can result in a shift from rural to urban poverty, expanding slums and putting further pressures on social services.

Food demands and distribution systems

10. The projected population growth (and better income prospects in many areas) will spur higher demand for food, particularly up to 2030 and more gradually thereafter. Demographic trends may exacerbate the fragile food security situation in developing regions, particularly in sub-Saharan Africa. In this latter region, rates of food need increases are expected to remain particularly high for the entire period from 2005 to 2050. Overall, FAO estimates that global agricultural output needs to expand by about 70 percent to meet the food needs of the population expected in 2050. The challenge, however, is not only to increase output globally, but to do so in the developing regions, in order to support increased incomes, economic development and sustainable food security gains.

Figure 3

(Source: FAO Statistics Division)



11. The population shift towards urban areas will have a profound impact on the location of food production and on volumes and composition of national and international trade and food distribution channels. The food sector will become more industrialised to meet both efficiency needs for transport and greater shelf-life. Alongside this transformation, demand for higher food quality and safety is expected to rise, requiring better and more sustainable production technologies.

12. Food supplies will have to be transported over longer distances, with consequences on infrastructure (especially road, storage and market infrastructure). Storage and post harvest handling facilities will need to be greatly improved, if losses are to be minimised. Increasingly urban environments will also lead to higher demand for semi-processed and processed food products, requiring good manufacturing practices. The closer integration of production with post production enterprises to ensure competitiveness will call for improved value chain linkages and better organisation and coordination, especially of small producers, to meet the requirements of buyers and processors. If this integration is not realised, there is a danger of marginalisation of substantial numbers of small producers and adverse effects on livelihoods and rural development.

13. Feeding growing populations will also entail increased food imports in many countries, especially of grains and livestock products. This will imply more effective planning of food marketing infrastructure needs in terms of ports, bulk handling and storage systems and transport means. Much of this transformation can be financed by the private sector, provided a sufficiently attractive environment is established.

Food production requirements

14. The future growth of food demand will be the combined effect of slowing population growth, continuing strong income growth in many of the developing countries, especially in the most populous ones, and gradual food saturation in more developed countries. While population growth alone will account for an average annual growth of demand of 0.8 percent at global level (1.6 percent in the least developed countries), the overall food demand is expected to grow at an average rate of 1.2 percent, which is significantly slower than during the preceding decades. Nevertheless, the projected total demand increase is still significant in absolute terms.

15. According to FAO the global average daily calorie availability could rise to 3050 kcal per person, a 10 percent increase over its level in 2003/05. To achieve this, global agricultural production would need to increase by 70 percent overall. Production per person would have to grow by 22 percent, hence more than the increase in per caput calorie intake, which is due to the expected changes in diet, i.e. a shift to higher value foods of often lower calorie content (e.g. vegetables and fruits) and to livestock products which imply a lower conversion of calories of the crops used in livestock feeds. Meat consumption per caput would rise from 37 kg at present to 52 kg in 2050 (from 26 to 44 kg in the developing countries). This implies that much of the additional crop (cereal) production will be used as feed for livestock production.

16. These shifts in the structure of production will be reinforced by faster growth in developing countries, and their changing demand towards more proteins, and higher value products. Most models for projection of demand and supply towards 2050 use the World Bank's baseline projection of economic growth. These projections assume an average annual rate of GDP growth of 2.9 percent during the period between 2005 and 2050, breaking out into 1.6 percent for high-income countries and 5.2 percent for the developing countries. Hence, the implicit assumption is that the longer-term GDP growth will continue. However, it is expected that over the 45 year period, the rates will be declining everywhere to half their initial levels. A key consequence of this differential growth will be a major increase in developing countries' share in global output from 20 to 55 percent. As a result, the income gap between the two country groups will be narrowing.

17. For the necessary agricultural increases to materialise, new land will have to be brought into cultivation, and competing requirements for land, and related water resources, will have to be reconciled. More importantly, productivity of existing agricultural resources (land, water, plant and animal genetic resources) will need to rise further through intensification and enhanced resource use efficiency. This will require improved know-how and innovative farming methods to produce more food on limited resources in a more sustainable way, as well as a good knowledge and understanding of the natural resource base itself. More integrated food-energy systems should be put in place.

Land and Water Use

18. The total global cultivated land is more than 1.5 billion hectares (13 percent of the world's land surface). In 2000-02, 60 percent was used for direct food production and one-third for feed use. Cultivated land used for bio-fuel feedstocks is estimated at about 25 million hectares, most of which is presently located in the USA, Brazil and the European Union.

19. Although 4.2 billion hectares of potentially suitable crop land exist, large expansion of cultivated areas is unlikely in the near future, partly due to environmental reasons and partly due to the projected enhanced demand for meat consumption which makes expansion into grasslands less likely. Land availability varies significantly by region, with most of the land in southeast Asia already utilised.

20. There are often conflicting interests on how land should be used. In order to address issues of social equity and environmental concerns, consideration needs to be given not only to the productive and economic potential of land, but also to appropriate policy and participatory land-use planning frameworks which address all stakeholder concerns.

21. Water use has been growing globally at more than twice the rate of population growth and a number of areas are reaching the limit at which reliable water delivery can be provided, particularly in arid regions. Coping with water scarcity is becoming a matter of priority in many locations. Population growth, rapidly expanding urban areas and economic development are putting unprecedented pressure on the quality and quantity of water resources, which while they are renewable, are also finite. The situation will be further exacerbated for many societies by the impact of climate change. In addition, competition for water is adversely affecting many ecosystems which need explicit water allocations, but are treated as residual users.

Crop intensification

22. Crop production is expected to continue to account for over 80 percent of the world's food. Over 70 percent of the crop production increase will have to come from intensification on existing or shrinking cropped land area, while not compromising the capacity to produce even more food in the medium term future. Crop production intensification strategies must be more sustainable than current or historical ones: they must value and enhance ecosystem services such as soil nutrient dynamics, pollination, pest population control, and water conservation. They must also build on elements that include integrated pest management, conservation agriculture, access to and sustainable use of plant genetic resources, and better management of soil and other crop-associated biodiversity, while also reducing soil, air and water pollution. Countries and regions must enhance their capacities to monitor, detect, and prepare rapid responses to transboundary pests, so that these pests do not threaten other regions and trading partners. They must also assess and monitor land degradation that can result from unwise intensification practices. These challenges will be amplified due to climate change: pest distributions may shift, production may be affected by shifting agroecological zones and extreme and catastrophic weather events, and the resilience of local rural communities in developing countries may be compromised.

Livestock

23. Livestock contributes 40 percent of the global value of agricultural output and supports the livelihoods and food security of almost a billion people. Natural grasslands and steppe also account for some 40 percent of the world's terrestrial surface where grazing by domestic animals and wildlife is essential for maintaining these ecosystems, as well as supporting livelihoods. Rapid income growth and urbanisation over the past three decades, combined with underlying population growth, are spurring high demand for meat and other animal products in many developing countries. Supply-side factors such as the globalisation of supply chains for feed, genetic stock and other technology are also at play. The sector is complex and differs with location and species, but a growing divide is emerging, in which large-scale industrial producers serve dynamically growing urban markets while traditional pastoralists and smallholders, who often serve local livelihood and food security requirements, risk marginalisation.

24. In many parts of the world, this transformation is occurring in the absence of adequate governance, resulting in failures in terms of natural resource use and public health. In some cases, government actions have created market distortions. While this is not only specific to the livestock sector, institutional and policy deficiencies have led to missed opportunities presented by rapid growth. Further growth must be nurtured with a view to reducing pressures on natural resources and climate, and ensuring control and management of animal and zoonotic diseases.

Lifting productivity of smallholder farmers

25. The productivity of major cereals is projected to decline from the current 3 to 5 percent annual growth rate to about 1 percent in 2050. Maintaining the higher growth rates will require development and use of technologies appropriate for the entire food chain coupled with an enabling policy and institutional framework. For smallholder systems, this will require: strengthening the national research and policy development capacity; investment in infrastructure such as road, irrigation, markets and storage; building of farmer capacity so they can move from subsistence to market-oriented farming; and availability of credit to those involved in the value chain. At production level, accelerated sustainable use of plant genetic resources, seed systems that cater to the needs of the smallholders, ecosystem management approach to crop production, including conservation agriculture and integrated pest management, will be needed. The implementation at national level of globally agreed instruments such as the International Plant Protection Convention, the Rotterdam Convention, and *Codex Alimentarius* will also be required. Considerable potential exists for increasing the livestock productivity of the smallholder sector through reducing mortality rates of animals, increasing lifetime production and reducing post-production losses from spoilage of perishable products. Known and proven technologies exist for smallholder systems, but a wider uptake is dependent upon an enabling environment of equitable policies and access to goods, services and markets.

26. Micro finance directed to agriculture is receiving increased attention by national governments and the international donor community. The comparative advantage of FAO in this regard lies in its experience with: the financing of agricultural enterprises; linkages between financial institutions and front line service providers; value chain and structured finance; introduction and management of innovative investment funds; support for public-private partnerships; and other innovative financial mechanisms, products, facilities and services. These diverse financial systems must respond to the needs of smaller scale producers and processors, but are also important as a catalyst for private and public sector investment in broader agricultural and rural development. Agricultural sector, market system and agro-industry development are important in building sustainable financial services, but are also often dependent upon the availability of these financial services to be successful.

Fisheries

27. In relation to fish and fish products, efforts should be made to maintain the current overall level of catch from marine and inland capture fisheries, while ensuring the long-term sustainability of fisheries resources, through improved management as well as the adoption of regulatory and institutional measures to address overfishing, overcapacity and illegal, unreported and unregulated (IUU) fishing. Because of the limited potential growth of global catches of wild fish stocks, sustainable expansion and intensification of fish production through the responsible development of aquaculture should also be a major objective of policy making.

28. It is also important to recognize the role of small-scale fisheries and aquaculture and the need to provide this sector with the necessary assistance. The adoption and implementation of an ecosystem approach to fisheries and aquaculture must also be promoted. Fisheries management and aquaculture development must be linked with trade and marketing standards designed to reinforce their sustainability. Fishers and fish farmers, alongside with other coastal inhabitants, live a precarious existence under the threat of natural disasters such as storms, hurricanes and tsunamis, and may also suffer proportionately more from the impacts of climate change, including sea level rise and the modification of the distribution and productivity of marine and freshwater

species. Adaptation measures are necessary to build resilience. Mitigation measures, such as reducing carbon emissions through reduction of fishing fleet capacity, are also needed.

Forests and forestry

29. Forestry has become more people-centred, and society's perception of forests has undergone significant changes, with increasing awareness of environmental, social and cultural aspects. Interactions with other sectors, and the critical roles that forests and trees play in water production, soil conservation, climate change mitigation, biodiversity conservation, as well as a key source of bioenergy, are well recognised. The significant contributions of forests and trees to sustainable livelihood and eradication of hunger and poverty are also increasingly appreciated.

30. However, progress towards sustainable forest management is still limited, and the continuing loss of forests and forest degradation in many developing countries, particularly in tropical forests, pose a critical challenge. Increasing demand for food, fibre and fuel can trigger unplanned land use changes, including large scale deforestation. There is a need to improve the quality of forest management, reforestation and forest rehabilitation, and a holistic approach is needed to ensure forest protection, including against fires and invasive species, in order to maintain or improve their capacity to produce wood and non-wood products, mitigate climate change, conserve biodiversity, safeguard wildlife habitat and protect soils and watersheds.

Balanced rural development remains essential

31. Special efforts are needed to offer opportunities to the 60 percent of the world's 450 million agricultural workers who live in poverty. These include improving occupational health and safety, supporting farmer and worker organizations and trade unions, ensuring basic social security, and reducing child labour in post-harvest processing, transport, marketing and agro-industries and ensuring equitable access to, and secure tenure of, the natural resources required for development.

32. Directing rural economies into higher value-added sectors and promoting non-farm employment, which already constitutes 30 to 45 percent of the household income of the rural poor globally, will also be essential. Between half and three-quarters of those who make or supplement their living from micro- and small enterprises are women, who particularly stand to benefit from enterprise development and home based work, particularly if these can be combined with support services that reduce women's care burden and improve the distribution of domestic and productive responsibilities between men and women. Also the sustainable production of bioenergy for rural communities has the potential of making substantial contributions to improved livelihoods by reducing the reliance on animal dung and crop residues as fuels.

33. Youth must remain a target for rural employment policies: in Sub-Saharan Africa and South Asia, half the total youth population enters the labour workforce in agriculture. Yet, 93 percent of jobs available to young people in developing countries are in the informal economy where earnings are low, working conditions unsafe and there is little or no access to social protection. Supporting policies and programmes to promote skills development and adherence to basic labour standards in rural areas will be critical.

The trade dimension

34. The rapid pace of globalisation and rising share of trade in national economies are other important determining factors for rural development and food security. Increased participation of smallholders in value chains can contribute significantly to poverty reduction and rural development. However, projections show that developing countries' cereal imports could nearly treble from just over 100 million tonnes in 2000 to about 300 million tonnes by 2050. For poorer countries, a rising import dependency could become a serious concern. They need to be more competitive, not just in exports but also in terms of domestic and regional markets. Intra-regional trade flows, especially in Africa, are constrained by a range of problems including weak infrastructure and inadequate information and inappropriate national trade policies. Opportunities from increased demand should be canvassed more aggressively, including from "niche" markets.

35. This rapidly evolving situation requires well-articulated, appropriate trade policies and support measures, with additional resources mobilised from the new Aid for Trade initiative. The trade policy environment is becoming more complex, due not only to multilateral trade agreements but also multiple regional and bilateral agreements. Trade-related capacity building needs to be strengthened to assist countries to define appropriate policies and strategies and to exploit new trade opportunities which might arise. A conclusion of the Doha Round will create an increased demand for such support. It is also increasingly realised that for trade policies to be effective for growth and poverty reduction, these need to be mainstreamed within national development frameworks such as Poverty Reduction Strategies.

Natural resources, climate change and the incidence of emergencies

36. Global agriculture will have to cope both with additional pressure on natural resources (land, water and genetic resources), as well as with climate change. The Intergovernmental Panel on Climate Change (IPCC) has documented the likely impact of climate change on agriculture in detail. If temperatures rise by more than 2°C, the global food production potential may contract severely and yields of major crops like maize may fall globally. The declines will be particularly pronounced in lower-latitude regions. In Africa, Asia and Latin America, for instance, yields could decline by 20-40 percent. In addition, the frequency of droughts and floods is likely to intensify and cause greater crop and livestock losses, and land and forest degradation. These changes require the development of national adaptation plans, as well as increasing investments to enhance adaptive capacities. In addition, agriculture will also be required to adjust its production methods to help mitigate the overall impact of climate change. Mitigation efforts will further raise investment requirements, creating an additional burden for developing countries. Significantly more detailed national studies are required to define impacts, as well as mitigation and adaptation strategies.

37. Climate change will worsen the living conditions of farmers, fishers and forest-dependent people who are already vulnerable. While agriculture and forests contribute about 30 percent of the current annual total emissions of greenhouse gases, about half of which is due to deforestation and forest degradation, they also have the potential to reduce greenhouse gas emissions and their impacts. Forty percent of the land biomass, and thus the biological carbon, are directly or indirectly managed by farmers, foresters or herders. It is in their interest to adopt management practices and production systems that combine mitigation and adaptation. Among the practices that could help mitigate climate change are better management of ecosystem services, reduction of land use change and related deforestation, more efficient crop varieties and fertiliser use, better control of wildfires, improved nutrition for ruminant livestock, more efficient management of livestock waste, soil carbon management through conservation agriculture and agroforestry systems. However, the widespread adoption of these practices will require support from national governments and the international community.

38. Bioenergy, including liquid fuel from biomass, has the potential to generate income in rural areas of some countries, but could also worsen food insecurity and contribute to environmental degradation elsewhere. Therefore, in the planning of bioenergy projects careful consideration should be given to their possible short- and long-term effects.

39. A further impact of resource scarcity and competition is the significantly increased interest and activity in large-scale agricultural investment by international and national actors. This can bring many opportunities but can also cause great harm if local people are excluded from decisions about allocating land and if their land rights are not protected.

40. Food and agricultural emergencies, whether due to natural causes or human-induced, have the most severe consequences on the food security and livelihoods of poor, vulnerable and agriculturally-dependent populations. Emergency preparedness, response and rehabilitation must address the specific needs of agriculture-based populations, particularly smallholders, pastoralists, fishers, forest users, landless farm workers and their dependents. Particular emphasis needs to be given to food insecure and nutritionally vulnerable groups. All elements of disaster risk management (DRM), including disaster risk reduction (preparedness, prevention and mitigation),

response, rehabilitation and the transition between relief and development, provide essential support to national planning.

Need to re-engage in the implementation of the MDGs and looking beyond 2015

41. With only a few years remaining in the period against which the Millennium Development Goals (MDGs) were set, progress in achieving hunger and poverty reduction goals has been mixed. Parts of the world are on track for achieving MDG1 (East Asia) or have already met the target (China), but others are at severe risk of failing to cut the prevalence of hunger and poverty by half, as was expected by 2015 (sub-Saharan Africa). Inter-regional differences persist even in countries and regions that are exhibiting overall progress towards achieving MDG1. Moreover, “hidden hunger” caused by deficiency of iron, iodine, zinc and vitamin A in the diet, is widespread.

42. The global food insecurity situation has worsened and continues to represent a serious threat for humanity. Global hunger has not been declining, with close to 850 million people constituting a “core” which the world community has failed to reduce. Close to 150 million have been added recently by the combined effects of high food prices and the global financial and economic crisis. Today, the world counts approximately 1 billion people suffering from chronic hunger – 15 percent of the world population.

43. Lack of progress on the hunger reduction target impedes the attainment of other MDGs, especially poverty reduction. High levels of child and maternal mortality (MDG4 and MDG5 respectively) and low rates of school attendance in developing countries (MDG2) are also intimately linked to the prevalence of hunger and malnutrition and associated poverty. The persistence of hunger and its negative effects on health and productivity of individuals will continue to be a major brake to poverty reduction and contribute to further degradation of the environment. Intensified efforts will be needed to ensure environmental sustainability (MDG7), without which long-term development, including food security, will be jeopardised.

44. Insufficient access to affordable and sustainable forms of energy in the rural areas compounds the challenges in achieving most MDGs, but more particularly MDGs 1 and 7.

45. The global financial and economic crisis has reduced incomes, remittances, export revenues, investment and development assistance at a time when food prices remain high in many developing countries and public and private response mechanisms are already stretched thin. Prices have fallen since their peak in mid-2008, but in many developing countries they remain well above international prices, higher than they were before the price spike, and they are projected to remain higher over the coming decade than they were in the past decade. The situation could worsen should further financial and economic difficulties reduce employment and deepen poverty. This could have serious implications for world peace and security.

46. As the target date of 2015 approaches, all participants need to work together to realise the achievement of the MDGs. It is critical however to look beyond 2015 to envision longer-term goals that will inspire continued commitment to eradicating poverty and hunger. An example of encouraging determination to act at regional levels is the recently agreed commitment from Latin American countries to eradicate hunger from their region by 2025, to which FAO will lend support.

Evolving development cooperation context

47. Significant changes are affecting the development cooperation and aid architecture in which FAO needs to operate. The Organization will need to continue to adjust to these changes, in consistency with broader UN reforms, including “delivering as one” in the field programme. The following aspects can be highlighted:

- a) new modalities of financing with increased direct budget support and comprehensive approaches, including government-led Sector-Wide Approaches

- (SWAps) becoming the favoured aid modality tending to replace the stand-alone project approach;
- b) the expected more incisive contributions of multilateral institutions to defining and implementing national development plans;
 - c) the further drive towards national ownership;
 - d) concerted efforts for aid coordination, harmonisation and alignment, also linked to capacity building;
 - e) the emergence of new sources of investment and other forms of assistance from civil society, foundations and the private sector;
 - f) the emphasis placed on managing for results, accountability and transparency; and
 - g) the expectation of enhanced partnerships within and outside the UN system.

Official Development Assistance

48. The share of agriculture in official development assistance (ODA) declined sharply over the past two decades, from 17 percent in 1980 to 3.5 percent in 2004. It also declined in absolute terms, from a high of about USD 8 billion (2004 dollars) in 1984 to USD 3.4 billion in 2005. In 2004, agriculture-based economies applied just 4 percent of public spending in agriculture as a share of their agricultural GDP, far less than the 10 percent that Asia spent during the agricultural growth spurt in the 1980s. This decline in attention to agriculture is all the more striking because it happened in the face of rising rural poverty. Thus there is urgent need to reverse this declining trend and attain a 17 percent share for agriculture in total ODA, for investment in rural infrastructure, productive safety nets for the most vulnerable, and factors of agriculture productivity growth.

UN reforms at country level

49. A number of UN reform processes are ongoing in order to make the system more responsive, coherent and efficient to meet the needs of countries. The Paris Declaration on Aid Effectiveness, adopted in 2005, lays out five key principles of effective aid: ownership by countries; alignment with partner (aid recipient) countries' strategies, systems and procedures; harmonisation of donors' actions; managing for results; and mutual accountability. The third High-Level Forum on Aid Effectiveness, held in Accra, Ghana in September 2008 reaffirms the principle of country ownership and stressed the importance of engaging with, and building partnerships with Civil Society, Private Sector and the UN agencies.

50. The "Delivering as One" initiative in eight pilot countries marked an important step in pursuing UN reform at country level and applying the above principles of aid effectiveness. A significant number of additional countries are embracing the new approach, based on the "lessons learned" from the initial exercise.

51. FAO recognizes the need for strong participation in the UN system reforms as greater emphasis is placed on increasing coordination and coherence to support the achievement of the MDGs and other internationally-agreed development goals.

II. Vision for FAO and Global Goals of Members

52. In adopting the Immediate Plan of Action for FAO's renewal (IPA), the 35th (Special) Session of the FAO Conference in November 2008 approved a Vision for FAO and Global Goals for inclusion in the Strategic Framework

Vision

53. FAO's vision is of 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.

Global Goals of Members

54. To foster the achievement of this vision and of the Millennium Development Goals, FAO will promote the continuing contribution of food and sustainable agriculture to the attainment of three global goals:

- a) 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;
- b) elimination of poverty and the driving forward of economic and social progress for all with increased food production, enhanced rural development and sustainable livelihoods;
- c) sustainable management and utilisation of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.

55. Within the Immediate Plan of Action, the Conference also approved in principle a set of Strategic Objectives, Functional Objectives and Core Functions of FAO expressing the impact expected to be achieved in a ten-year time horizon by Members with a contribution from FAO, as well as the enabling environment and means of FAO action.

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 food 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) Providing long-term perspectives and leadership in monitoring and assessing trends in food security and agriculture, fisheries and forestry.
- b) Stimulating the generation, dissemination and application of information and knowledge, including statistics.
- c) Negotiating international instruments, setting norms, standards and voluntary guidelines, supporting the development of national legal instruments and promoting their implementation.
- d) Articulating policy and strategy options and advice.
- e) Providing technical support to:
 - promote technology transfer;
 - catalyse change; and
 - build capacity, particularly for rural institutions.
- f) Undertaking advocacy and communication, to mobilise political will and promote global recognition of required actions in areas of FAO's mandate.
- g) Bringing integrated interdisciplinary and innovative approaches to bear on the Organization's technical work and support services.
- h) Working through strong partnerships and alliances where joint action is needed.

III. The results-based regime in the Organization

56. The Immediate Plan of Action lays the foundation of an enhanced results-based approach to programme planning, implementation and reporting in the Organization. This is coupled with a revitalised and more inclusive inter-governmental process of review of priorities and programme and budget proposals.

57. This Strategic Framework embraces the principles and major elements of a results-based regime in FAO, which comprises:

- **Global Goals**, representing the fundamental development impacts, in the areas of FAO's mandate, which the member 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.

58. The Strategic Objectives 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. The eleven Strategic and two Functional Objectives reflect the assessment of challenges and opportunities facing food, agriculture and rural development, and the state of thinking and inter-governmental agreement at the time this Strategic Framework is adopted by the Conference. The Strategic and Functional Objectives are subject to review and eventual adjustment, as required, every four years.

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

60. The Organizational Results, as measured by indicators, constitute the backbone of the Organization's four-year Medium Term Plan and biennial Programme of Work and Budget, exemplifying the substantive priorities upheld by the Membership. These are considered in a more inclusive inter-governmental process of discussion on priorities, as shown in *Annex 2*.

61. 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. The core functions are summarised in *Section V*, and their main strategic directions are elaborated in the Medium Term Plan.

62. 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.

63. Mobilisation and application of voluntary contributions to FAO is guided by the results-based regime at all levels – national, subregional, regional and global.
64. Clear managerial responsibilities throughout the cycle of preparation, implementation and assessment are to be assigned for each Strategic and Functional Objective, Organizational Result and Core Function. Managers at all locations will be accountable for progress, not only in terms of provision of products and services, but also the results achieved.
65. The prime purpose of the complementary four-year Medium Term Plan document is to inform inter-governmental discussions with full articulations of both Strategic and Functional Objectives, based on logical framework analysis (i.e. describing the specific issues being addressed, the assumptions and risks involved in their formulation, the identified indicators and targets, and the primary tools foreseen to be used to reach the Organizational Results).
66. The Programme of Work and Budget will set out the biennial resource requirements – assessed and voluntary – needed to achieve the two-year targets for the indicators of each Organizational Result in the Medium Term Plan. It will present a unified programme budget, and an administrative budget, any other financial obligations, calculation of cost increases and efficiency savings, provision for long-term liabilities, under-funded obligations and reserve funds, and a draft Budgetary Appropriations Resolution.
67. Progress towards the achievement of the Organizational Results, to be measured through their indicators, will be tracked and reported. Results-based monitoring will permit the identification of any issues having the potential to hinder or prevent FAO from delivering the Organizational Results, including the risks arising from the level of uncertainty related to the planned delivery of activities funded through voluntary contributions, and to make the necessary in-course adjustments and changes to forward planning.
68. Following on this, biennial implementation reporting will focus on accountability for the achievement of the results, indicators and targets specified in the Medium Term Plan and Programme of Work and Budget.

IV. Strategic and Functional Objectives

69. The Strategic Objectives reflect the Vision of FAO and the three Global Goals of Members. They focus on where the Organization can best assist Members in achieving sustainable impacts in addressing the challenges and opportunities facing food, agriculture and rural development.

70. The approach to formulating the Objectives is based on the logical framework hierarchy of results, which underpins results-based management. To ensure that the comparative advantages of FAO are applied, efforts and associated resources are focussed where and when they can make a difference in contributing to addressing the overall problems facing Members.

71. The eleven Strategic Objectives represent a combination of inter-linked sectoral and cross-sectoral impacts addressing the areas of crops, livestock, fisheries, food safety, forestry, natural resources, enabling environments, food security, gender, emergencies and investment.

72. Complementing the eleven Strategic Objectives are two Functional Objectives, which ensure the necessary enabling environment is in place to ensure effective impact of technical delivery, with due attention to efficiency.

73. This package of inter-dependant Strategic and Functional Objectives is agreed by the Membership *via* this version of the Strategic Framework, as outlined below. The high-level Objectives – and the underlying Organizational Results – are to be subject to review and adjustment, as required, every four years.

Strategic Objective A - Sustainable intensification of crop production

Relevance

In full conformity with FAO's mandate, this Objective is one of the principal responses to anticipated growing demands for food and other agricultural products. It is rooted in the requirement for Members to increase crop productivity and quality, based on science-based sustainable practices, to improve resource use efficiency, and thereby also contributing to meet broader food security, rural development and livelihoods enhancement aims. Since over 70 percent of future increases in crop production must come from existing crop lands, emphasis will be placed on development of crop production intensification strategies that result in higher production, but are also more sustainable than current or historical strategies. Due attention will be given to their adaptation to climate change and enhanced ecosystem services such as soil nutrient dynamics, pollination, pest population control, and water conservation. Major areas of focus will include pro-smallholder seed systems at national scale, integrated pest management, conservation agriculture, access to and sustainable use of plant genetic resources, and better management of soil and other crop associated biodiversity, while reducing soil, air and water pollution. Countries and regions will be assisted to enhance their capacities to monitor, detect, and prepare rapid responses to transboundary pests, so that these pests do not threaten other regions and trading partners.

Organizational Results

A1 - Policies and strategies on sustainable crop production intensification and diversification at national and regional levels

A2 - Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels

A3 - Risks from pesticides are sustainably reduced at national, regional and global levels

A4 - 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

Strategic Objective B - Increased sustainable livestock production

Relevance

This Objective is to strengthen the contribution of the rapidly growing and changing livestock sector to world food security, poverty alleviation and economic development. The sector, which is characterized by a growing dichotomy between smallholder and large-scale commercial operations, has to satisfy a vigorously expanding demand for animal food products. This demand has to be met in a safe and clean manner which will require the necessary technical, institutional, policy and legal measures to be in place. The Objective supports this process and endeavours to enhance the socio-economic benefits associated with sector growth (pro-poor economic development) whilst preventing and mitigating public health risks (zoonotic diseases) and reducing the risks to natural resources associated with livestock production (erosion of animal genetic diversity, water pollution, greenhouse gas emissions). The Objective will also strengthen the synergies between crop and livestock production in mixed land use systems.

Organizational Results

B1 - The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development

B2 - Reduced animal disease and associated human health risks

B3 - Better management of natural resources, including animal genetic resources, in livestock production

B4 - Policy and practice for guiding the livestock sector are based on timely and reliable information

Strategic Objective C - Sustainable management and use of fisheries and aquaculture resources

Relevance

The Objective covers in a holistic manner effective and responsible management, expansion where appropriate and conservation of fisheries and aquaculture resources, as called for by the Code of Conduct for Responsible Fisheries (CCRF). It addresses well recognised or emerging challenges affecting the economic and social benefits from, and viability of the important fisheries sector. Emphasis is given to providing comprehensive assistance in the establishment of an inclusive and strong regulatory framework, both at the national and international level, bolstered by a robust and efficient institutional framework comprising local, national and regional institutions, including Regional Fisheries Bodies. Improvement of the state of the wild fish stocks will be supported through their more effective management and an increase in the production of fish from sustainable aquaculture. Attention will also be given to improvement in the way fisheries operations are carried out as well as in the post harvest utilization and trade of fish and fish products.

Organizational Results

C1 - Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues

C2 - Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including Regional Fisheries Bodies (RFBs)

C3 - More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use

C4 - Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture

C5 - Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels

C6 - Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements

Strategic Objective D - Improved quality and safety of food at all stages of the food chain*Relevance*

The Objective is driven by the rapidly growing complexity of food production and distribution systems in an inter-connected world. It reflects *inter alia* a context of potential risks and ever greater concerns of the public at large, requiring the putting in place of effective food safety and quality management and control systems at all levels of the food chain, including legislative frameworks, standards and capacities to enforce them. Food quality and safety is essential for the welfare of national populations, and programmes that facilitate compliance of food businesses with prevailing national or market requirements can yield considerable economic and public health benefits. A major aim of the Objective is to help ensure that internationally agreed standards and recommendations for food safety and quality are developed for continued improvement of food systems globally and assistance is provided to national governments to establish institutions capable of ensuring that national food safety and quality policies and regulations are in line with international recommendations.

Organizational Results

D1 - New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization

D2 - Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach

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

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

Strategic Objective E - Sustainable management of forests and trees

Relevance

The Objective covers, and seeks to improve, the significant contributions that forests and trees make to sustainable livelihoods and the eradication of hunger and poverty. It takes account of the critical linkages of the forestry sector with agriculture, energy, water and climate. With deforestation and forests degradation continuing in many countries, a major aim is to enhance progress towards sustainable forest management. Important efforts in this regard will be monitoring the progress towards sustainable forest management at the country, regional and global levels and providing reliable and valuable information to policy makers in individual countries, to international negotiations and arrangements related to forests and to the general public. Leadership will be provided in the international forestry dialogue and support expanded in Member Countries to enhance institutional arrangements and policy instruments for the forestry sector aimed at improving livelihoods of all the forest stakeholders, especially those most dependent on forest resources. Cooperation will be expanded with partners in the UN and a range of international stakeholders to promote the use of new approaches and technologies in the management of forests, recovery of degraded lands, biodiversity conservation, climate change mitigation and adaptation, wildlife conservation and watersheds management.

Organizational Results

E1 - Policy and practice affecting forests and forestry are based on timely and reliable information

E2 - Policy and practice affecting forests and forestry are reinforced by international cooperation and debate

E3 - Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses

E4 - Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation.

E5 - Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option

E6 - Environmental values of forests, trees outside forests and forestry are better realised; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented

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

The Objective combines the promotion of judicious multi-sectoral approaches, critical technical inputs and support to the development of international instruments from the perspective of FAO's mandate, and an enhanced information and knowledge base so that sustainable management of natural resources is for the benefit of present and future generations. Natural resources (land, water, climate and genetic resources) and their services are essential to food production, rural development and sustainable livelihoods and many opportunities exist to limit the adverse impacts of climate change through improved knowledge and management of natural resources in agriculture, forestry and fisheries policies and practices. The sustainable management and governance of natural resources in the context of rural development requires addressing distinct technical disciplines as well as multi-disciplinary and multi-sectoral approaches so that competition for natural resources can be reduced.

Organizational Results

F1 - Countries promoting and developing sustainable land management

F2 - 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

F3 - 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

F4 - 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

F5 - Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy

F6 - Improved access to, and sharing of knowledge for natural resource management

Strategic Objective G - Enabling environment for markets to improve livelihoods and rural development*Relevance*

Livelihoods and rural development are affected by the extent to which small producers exploit market opportunities, and markets and institutions function efficiently in a changing environment. To reduce poverty and meet development and food security needs, policy makers need the capacity to identify and implement appropriate policies to facilitate the response of the private sector, including small producers, to new market demands and opportunities. The Objective is primarily to meet the extensive needs of Members and appropriate national authorities for technical inputs and information and analyses (including identification of opportunities) to serve policy formulation and decision-making in the face of rapidly evolving market arrangements and conditions and their impact on rural development. The four Organizational Results cover provision of these outputs for four different contexts within value chains – farm level, input markets including land and labour, agribusiness processing and value addition and international markets.

Organizational Results

G1 - Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements

G2 - Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships

G3 - National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries

G4 - 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

Strategic Objective H - Improved food security and better nutrition

Relevance

The Objective is at the core of FAO's mandate to pursue freedom from hunger for all, while raising levels of nutrition, improving agricultural productivity, enhancing the lives of rural populations and contributing to the growth of the world economy. For this to be achieved, there has to be a better understanding of the prevalence and root causes of hunger, food insecurity and malnutrition, including through deeper and more forward looking assessments and analyses. The Objective meets demands for assistance in the design and implementation of policies, programmes and interventions in strengthening national, regional and global capacities for more effective governance in food security and nutrition, including through support to the progressive realization of the right to food. It also aims to build capacities of member countries and other stakeholders to generate, manage, analyse and access data and statistics in support of determining the causes of food insecurity and malnutrition. The Objective also supports the generation and dissemination of FAO analysis, products and services on food security, agriculture and nutrition and works with member countries and development partners to strengthen their capacity to exchange knowledge for the design of better targeted and appropriate action in the reduction of hunger and poverty.

Organizational Results

H1 - Countries and other stakeholders have strengthened capacity to formulate, implement and monitor coherent policies, strategies and programmes that address the root causes of hunger, food insecurity and malnutrition

H2 - Member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realisation of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security

H3 - Strengthened capacity of member countries and other stakeholders to address specific nutrition concerns in food and agriculture

H4 - Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition

H5 - 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

Strategic Objective I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies*Relevance*

The international community has increasingly called upon FAO to assist Members and vulnerable populations exposed to growing emergency risks and reinforce their capacity to respond to emergencies in the longer-term. This Objective is the main expression of this commitment, promoting a comprehensive approach based on the three pillars of disaster risk management, which are; preparedness, prevention and mitigation; response; and transition. Each Organizational Result covers one of these pillars.

Organizational Results

I1 – Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions

I2 - Countries' and partners respond more effectively to crises and emergencies with food and agriculture-related interventions

I3 - Countries and partners have improved transition and linkages between emergency, rehabilitation and development

Strategic Objective K - Gender equity in access to resources, goods, services and decision-making in the rural areas*Relevance*

The Objective addresses the critical gaps in embracing more gender and socially inclusive policies, capacities, institutions and programmes for agriculture and rural development. It also helps to mainstream this approach across all of FAO's Strategic Objectives.

Organizational Results

K1 - Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development

K2 - 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.

K3 - Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development

K4 - FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work

Strategic Objective L - Increased and more effective public and private investment in agriculture and rural development*Relevance*

The Objective reflects Members' strong desire and imperative to redress situations of insufficient investment in the food and agriculture sectors. It covers a range of supportive activities for the design of concrete and effective investment programmes and operations, for building capacities at national level, and for ensuring that limited public funding is applied in core areas to maximise leverage and impact on poverty reduction and food security, catalyzing private sector funding. In partnership with Member Countries, emphasis will be placed on increasing the viability of investments in food security, agriculture and rural development (FSARD) and identifying barriers to investment options through the development of appropriate policies, strategies and institutions. This is intended to create an enabling environment supportive of public and private investment, compliance with social and environmental safeguards, state-of-the art formulation of public/private investment programmes and projects, and timely and comprehensive monitoring and evaluation of results and impact. Interventions will be structured to improve the relevance and sustainability of investment plans by enabling national public and private sector actors to be the primary drivers of their development. Efforts will also be made to redress the shortfall in investment in FSARD that has emerged over the last 20 years, the reduction of which is critical to the implementation of the Comprehensive Framework for Action and the achievement of MDG 1.

Organizational Results

L1 - Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks

L2 - Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations

L3 - Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed

Functional Objective X - Effective collaboration with member states and stakeholders*Relevance*

The Organization relies on a variety of services, delivered both in-house as well as in collaboration with Members and external Partners, in order to achieve results. Many of these services go well beyond the scope of pure administration, touching upon elements directly related to honing strategic direction, leveraging and focusing on comparative advantage and properly governing and overseeing the totality of FAO operations. This Functional Objective embodies these services and provides the enabling environment without which the outcomes of the Organizational Results under the Strategic Objectives cannot effectively be achieved.

Organizational Results

X1 - Effective programmes addressing member priority needs developed, resourced, monitored and reported at global, regional and national levels

X2 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results

X3 - Key partnerships and alliances that leverage and complement the work of FAO and partners

X4 - Effective direction of the organization through enhanced governance and oversight

Functional Objective Y - Efficient and effective administration*Relevance*

The Functional Objective provides for efficient and effective administration in carrying out FAO's work. It sets out the expected improvements in services provided to all organizational units in the areas of finance, human resources and administrative and infrastructure services. This will allow for improved monitoring and reporting on administrative services and related costs, continuous enhancement to service levels and identification of possible savings and efficiency gains. It will also define the administrative budget.

Organizational Results

Y1 - FAO's support services are recognised as client-oriented, effective, efficient and well-managed

Y2 - FAO is recognised as provider of comprehensive, accurate, and relevant management information

Y3 - FAO is recognised as an employer that implements best practices in performance- and people-management, is committed to the development of its staff, and capitalises on the diversity of its workforce

V. Core Functions

74. 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. The core functions are summarised below and their main strategic directions are elaborated in the Medium Term Plan.

Core Function a) Monitoring and assessment of long-term and medium-term trends and perspectives.

75. Members look to FAO to continuously review trends, issues and challenges in its mandate areas and propose policy solutions to address them. Major findings have been – and will continue to be – compiled to serve as reference points for planners, policy makers and partner development agencies. Work under this core function concerns: FAO's assessments and perspective studies which cover a broad range of topics and are widely used to set international policy goals such as in the recent past the World Food Summit target or MDG1; and FAO's outlook studies and projections which inform many technical assessments, notably those of the International Panel on Climate Change, the World Bank and other UN system organisations.

Core Function b) Assembly and provision of information, knowledge and statistics.

76. The assembly and provision of information, knowledge and statistics is central to FAO's mandate. Work under this core function concerns: how a coordinated and coherent approach to information and knowledge sharing adds value through FAO's own programmes and cooperation with partners; continuous improvement of FAO as a Learning Organization; and ensuring synergies between people, processes and technology. It also concerns: the provision of support to countries, in particular improving countries' capacity to collect, compile, analyse, store and disseminate relevant and timely statistics and other information on food and agriculture, including fisheries and forestry; continued efforts to upgrade the Organization's corporate statistical databases and development of a statistical data warehouse within the corporate data repository for technical information in order to better integrate the statistical information available within FAO.

Core Function c) Development of international instruments, norms and standards.

77. The FAO Constitution (i.e. Art. I. and XIV) foresaw a major role for the Organization as a neutral forum for Members to negotiate international instruments. This core function facilitates and supports Governments' efforts in the development of regional and international legal instruments, and in the implementation of their resulting national obligations. It also provides support to the Membership through the setting of norms, standards and voluntary guidelines, as well as in the development and implementation of internationally recognised instruments, standards and action plans. The core function will seek to meet substantial demands for advice in drafting and subsequent enactment of pertinent national legislation (basic law and regulatory instruments), also bearing in mind the need for public administration and private sector cooperating in a mutually beneficial manner.

Core Function d) Policy and strategy options and advice.

78. This core function is closely interlinked with other core functions. It seeks to meet growing demand for policy assistance in the areas of FAO's mandate. Policy and strategy options will be articulated by the Organization, based on available evidence and the assessments of trends

in food security and agriculture, fisheries and forestry. The array of policy assistance work includes: policy and legislative advice, capacity building for policy formulation and implementation, institutional strengthening and restructuring, country information, policy intelligence and monitoring, and identification of Members' priorities for effective field programme development.

Core Function e) Technical support to promote technology transfer and build capacity.

79. This core function involves taking account of three key dimensions: the enabling environment, specific institutions, and individuals, with all three dimensions ideally addressed in interventions. Two types of capacities are covered: *technical capacities* to carry out the tasks required to intensify production in a sustainable manner, manage resources and eventually improve food security; and *functional capacities* in the areas of policy, knowledge, partnering and implementation/delivery. The core function aligns internal processes so that the new capacity development approaches are fully institutionalised within existing systems and procedures, and appropriate governance, tools, and guidelines are available. Good practices are mainstreamed in FAO's programming tools, effective tracking and reporting mechanisms are adopted, and enhanced Human Resources systems take account of new corporate approaches.

Core Function f) Advocacy and communication.

80. This core function serves to achieve broader outcomes, including: lasting impact from science-based policies promoted by the Organization, also favouring investment in agriculture and rural development. In addition, it supports consensus-building globally for ambitious, yet realistic objectives of eradicating hunger; enhancing FAO's status as a reference point and authoritative source of technical information in global debates on hunger relief and other issues related to agriculture, forestry, fisheries, livestock and rural development; and increasing awareness of concrete contributions to the development process, as well as post-emergency relief, rehabilitation and transition to development.

Core Function g) Interdisciplinarity and innovation.

81. Interdisciplinary approaches and the design of cross sectoral programmes make it possible to induce impact or produce outputs that cannot be generated by one unit working in isolation. A regular flow of innovations – provided they are well tested and accepted by those most concerned – are a major ingredient to the constant evolution effort required of any institution. This core function supports FAO's new results-based regime, in particular, the Strategic and Functional Objectives and underlying Organizational Results, which foresees constant interactions and working across disciplinary lines.

Core Function h) Partnerships and alliances.

82. FAO's leadership in international governance of agriculture and agricultural development matters clearly requires mobilisation of the pertinent best knowledge and capacities. Such knowledge and capacities do not reside only in FAO, so that effective collaborative links need to be established with various institutions in support of shared goals. FAO's ability to fulfil its mandate will be greatly leveraged by partnerships with: other organization within the UN system; research institutions and international financing institutions; inter-governmental entities and regional organizations; and civil society organizations, NGOs, and the private sector. This core function will: foster FAO partnerships and alliances to enhance technical performance; establish horizontal collaboration in strategic or operational programming, funding or advocacy; and allow the Organization to reach out better to ultimate users of its services.

ANNEX 1



ANNEX 2

Schedule for Governing Body Input and Oversight Under
The Reformed Programming, Budgeting and Results Based Monitoring Systems

Process		YEAR 1				YEAR 2			
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
PLANNING	Review Implementation Performance Strategic Framework (Alternate biennia)	RC	PC/FC CL	TC	PC/FC CL	EB	PC/FC CL	CONF	PC/FC CL
	MTP-PWB (Next biennium)	Input on Priorities				Review/Approval		Adjustment	
IMPLEMENTATION MONITORING	Implementation Review and Adjustment (Current Biennium)								
	Results (Previous Biennium)								
EVALUATION	Impact								

Legend: RC: Regional Conference	TC: Technical Committees of Council	PC: Programme Committee	FC: Finance Committee	CL: Council	CONF: Conference
	MTP Medium-Term Plan	PWB Programme of Work and Budget	EB: Extra-Budgetary		

LIST OF ACRONYMS

CCRF	Code of Conduct for Responsible Fisheries
DRM	Disaster Risk Management
FSARD	Food and Sustainable Agricultural and Rural Development
GDP	Gross Domestic Product
IEE	Independent External Evaluation of FAO
IPA	Immediate Plan of Action for FAO's Renewal
IPCC	The Intergovernmental Panel on Climate Change
IUU FISHING	Illegal, Unreported and Unregulated Fishing
LDC	Least Developed Country
MDG	Millennium Development Goal
NGO	Non-governmental Organization
ODA	Official Development Assistance
PGRFA	Plant Genetic Resources for Food and Agriculture
REDD	Reducing Emissions from Deforestation and Forest Degradation
RFBS	Regional Fisheries Bodies
RBM	Results-based Management
WTO	World Trade Organization