

**Joint Meeting of the Programme and Finance Committees
Rome, 7 May 2012**

**Remarks by José Graziano da Silva
Director-General, FAO**

Good morning,
Independent Chairperson of the Council,
Chairpersons of the Programme Committee and the Finance Committee,
Members of the Committees,
Ladies and Gentlemen.

1. I wish to welcome all Members of both the Programme and Finance Committees. I am pleased to attend your first Joint Meeting since I took office.
2. Good governance is facilitated by dialogue and transparency between Members and Management. Over the past months I have opened up this dialogue through meetings with delegations, informal seminars, and authorizing consultations between the regional groups and the regional representatives.
3. In this spirit, I would like to recall the context in which your deliberations are taking place this week, and the initiatives I am taking that touch on your current and future deliberations.

Ladies and gentlemen,

4. When I spoke to the Council last December, I laid out the priorities that would guide my work as Director-General. That is what I have been doing. Let me highlight four key initiatives now underway that I started in January.
5. First, I have launched a Strategic Thinking Process to identify the development trends and emerging challenges in food security and agriculture, and how to organize FAO to respond to them effectively.
6. The process is based on broad and participative consultation with staff across the Organization, discussions with Members, including the regional conferences, and inputs from an external Experts Panel.
7. Formal dialogue with Members on FAO's future strategic direction began in the current cycle of Regional Conferences.
8. This dialogue will continue at your next Joint Meeting and at the Council in June. On that occasion, I will present the last results achieved in reviewing the Strategic Framework and preparing the next Medium Term Plan later this year.
9. Second, I have put in place measures to quicken the implementation of the Immediate Plan of Action. The focus is on the realization of the benefits. We expect to complete the most important goals of the Reform in 2012. Later this week you will have the opportunity to review IPA progress.
10. Third, I have prepared concrete proposals for improving delivery of results at country level linked to reinforcing our regional and global work. Decentralization is not about moving resources from HQ to the field. It is about making the best use of all the resources at our disposal to improve country level delivery. For example, one element of decentralization is the integration of development and emergency activities to ensure better results.
11. The decentralization proposals are being considered by the five Regional Conferences that are taking place. I have requested Members to take into

consideration our financial limitations when discussing this issue. A consolidated proposal for enhancing the Organization's effectiveness and efficiency at country level is being prepared for review at your Joint Meeting at the end of this month and for decision by the Council in June.

12. Fourth, I have taken action to identify additional savings under Functional Objectives X and Y, as encouraged by the Conference and Council. This has been accomplished through further streamlining of business practices and a critical review of posts, particularly in the Operational Arm. FAO will report on this at your next Joint Meeting.
13. You will recall that the Council, at its session in December 2011, noted that it would have the opportunity to examine and adjust the implementation of the PWB and IPA throughout 2012. The Council also endorsed the process for review of the Strategic Framework and preparation of the next Medium Term Plan, and is to receive recommendations on decentralization from the Regional Conferences.
14. In this context, we are preparing four key documents for consideration by the Council in June. One of these, the IPA annual report for 2011 and direction for 2012, is set for your review this week. The other three documents are under preparation and will be available for review at your special Joint Meeting at the end of this month. These include: the structure and functioning of decentralized offices; further adjustments to the PWB 2012-13; and an outline of the reviewed Strategic Framework for the future work of the Organization.

Chairpersons and Members of the Committees,

15. While you have much to look forward to later this month, you have important matters before you at your sessions this week.
16. As I mentioned, you will consider progress on the IPA.
17. The Programme Committee will also review, among other things, the outcome, proposed actions and follow-up of several Evaluations. Your suggestions will be important for guiding the way forward.
18. The Evaluation of FAO's role and work in food and agriculture policy provides the basis for addressing FAO's perceived marginal role in influencing national policy dialogue to translate global issues into country policies and actions.
19. The evaluation of FAO's work on tenure, rights and access to land and other natural resources is also timely, in view of the finalization of the Voluntary Guidelines on the Governance of Tenure.
20. The Evaluation of FAO's response to the 2010 floods in Pakistan, which was one of the largest and most complex emergency response operations implemented by this Organization, provides evidence for the need to integrate emergency and development activities.
21. I would like to highlight three key areas of work being considered by the Finance Committee.
22. The Human Resources Strategic Framework and Action Plan includes an improved arrangement for HR management within the Organization.
23. On the Implementation of the Global Resources Management System, we have refocused the project to deliver system connectivity to all decentralized offices. This is part of my efforts for a more effective decentralized offices network. This will support the delegation of decision-making while enabling accountability,

monitoring and reporting at country and regional levels that follows in the decentralization process.

24. Finally, let me say a few words concerning the financial situation of this Organization. The status of contributions and arrears is better than in previous years. However, the cash situation is still a serious concern because of late payments of assessed contributions. On projection, the Organization will need to borrow from external sources in the last few months of this year.
25. I recognize the difficult financial and economic times worldwide. But I also recall the need for timely payment to implement the budget and program unanimously adopted at last year's Conference. I urge the Finance Committee to provide sound technical advice to Council, including alternative means to encourage payment of contributions on time and in full.

Chairpersons and Members,

26. You have an important role to play in the governance of FAO. The issues you will consider this week and later this month are critical to making the Organization more effective in bringing an end to hunger in the world. In fulfilling your mandates, I urge you not to lose sight of our common goal – a world free from hunger and malnutrition, where food and agriculture contribute to improving the living standards of all.
27. Thank you for your attention, and I wish you fruitful deliberations.