Honourable Minister for Agriculture of Azerbaijan, Mr. Ismat Abasov
Mr. Independent Chairperson of the FAO Council, Luc Guyau
Mr. Chairman of the Committee of World Food Security, Yaya Olaniran,
Distinguished Delegates, Ministers,
Civil society representatives,
Your Excellencies, Ladies and Gentlemen,
Colleagues from FAO and other agencies of the UN System

Introduction
In the name of the Food and Agriculture Organization and of all participants in this 28th FAO
Regional Conference for Europe, allow me to express our profound gratitude to the President of the
Republic of Azerbaijan, His Excellency Ilham Aliyev, and to its Government and people for their
warm welcome and hospitality in Baku.

Ladies and Gentlemen,
The world has changed significantly since 1945, when FAO was created to contribute to a world free
from want. And, although we have been able to successfully increase food production in recent
decades, we haven’t had the same results in the fight against hunger.
The right to food is still absent from the lives of around 925 million people despite the fact that there
is enough food for all.

While this situation persists, FAO needs to keep pursuing its goal to eradicate hunger. However, to
deliver better on its founders’ vision, FAO needs to adapt to a changing global environment.
That is why, in January 2012, I launched a Strategic Thinking Process to identify the emerging
challenges in food security and agriculture, and how to organize FAO to effectively respond to them.
The process is based on a broad and participative consultation with staff across the Organization,
discussions with members and inputs from an external Strategy Experts Panel. The information
document “Global trends and future challenges for the work of the Organization” presented for this
Regional Conference shows where we stand and frames the dialogue on FAO’s future strategic
direction.

The Global Challenges
Let me elaborate on the seven global challenges that have been identified so far and that will feed
into the planned review and development of FAO’s main strategy and programming documents,
including adjustments to our current Programme of Work and Budget.
The first two challenges are to shift to more sustainable production and consumption patterns. We
already have the technologies to produce more with less impact. We must adopt them.
And we need to eat better. Healthier diets will help respond to the problem of obesity and reduce the pressure on our natural resources: it takes 1500 litres of water to produce a kilogram of cereals and 15 thousand to produce one kilogram of meat.

We should also reduce food loss and waste. In industrialized countries, consumers throw away about 222 million tonnes of food every year, the equivalent of the net food production in Sub-Saharan Africa.

With the United Nations Conference on Sustainable Development two months away, we have the opportunity to explore the convergence between the agendas of food security and climate change, choosing the path of a more sustainable, and inclusive, development.

This involves ending hunger, our most urgent challenge. We cannot call development sustainable if we are leaving almost one in every seven people behind, victims of undernourishment. I am convinced ending hunger is a possible goal, with true political commitment. FAO is committed to this effort. On my instruction, the Organization is adopting a new approach that we are putting into action in the Horn of Africa. It consists of the integration between emergency and development activities, scaling up of successful initiatives and working closely with partners under local leadership.

The fourth challenge is to improve the livelihoods of rural people. This involves creating decent employment and other rural and non-rural income opportunities for populations in rural territories. Here, as with other challenges, specific attention must be given to women and the young population, 2012 is the International Year of Cooperatives and I want to highlight the role that cooperatives and farmer associations have in organizing farmers, allowing them to access more opportunities than they would be able to individually.

We also face challenges related to strengthening global food security governance and ensuring fairer and more inclusive food and agricultural systems from the local to the international level. The successful conclusion of the negotiations on the Voluntary Guidelines for the Responsible Governance of Tenure of Land, Fisheries, and Forests, in the Context of National Food Security is an important step in this direction. I want to highlight and welcome the dialogue between governments, civil society and the private sector that resulted in this groundbreaking result, which must now be endorsed by the Committee of World Food Security in May. FAO stands ready to assist countries in implementing the guidelines at the national level.

Finally, we must increase the resilience of poor families to threats and shocks to agriculture and food security.

These are the global challenges that we have identified and that FAO should help countries in responding to them.

Priorities in the European Region

Ladies and gentlemen, at this meeting we are also discussing regional priorities for FAO.

In most countries in Europe undernourishment is under 5 percent. However, food security remains a priority for most countries of the Caucasus and Central Asia, with undernourishment estimates reaching up to 26 percent and poverty estimates ranging from 30 to 77 percent.

Trends show that in the next decades undernourishment will continue falling in most countries of Europe and Central Asia. However, we should be concerned with an expected rise in obesity and diet-related illnesses, which represent the other side of malnutrition, especially those countries most affected by the ongoing economic and financial crises.
We also must address the specific development needs of a huge number of small farms formed by the land privatization process that began in the year 2000. Small-scale farmers require specific support to overcome constraints that limit their production - in some cases, crop production falls 30 to 40 percent below potential yields - and participation in markets in some countries of Central Asia. Support includes increasing investments in innovation and agricultural research and development.

Transboundary pests and diseases are also major concerns. Establishing integrated risk-based control systems that target the most vulnerable and critical points in the food chain is a demanding and challenging task.

The region has a significant agricultural potential. However, its resources must be well managed to assure that development is sustainable. This has not always been a concern. Over 200 thousand tonnes of obsolete pesticides and other toxic waste are estimated to be present in 12 countries of Eastern Europe, Central Asia and the Caucuses. This represents approximately 40% of the world's total.

Together with the EU and other partners, FAO is assisting these countries to address this situation. The focus is on improving the capacities of governments to manage and dispose of these chemicals safely. The promotion of integrated pest management and other sustainable agro-ecological approaches go hand in hand with this project.

Adequate management of natural resources is also significant for relationships between countries. For example, as water becomes scarce, transboundary rivers are increasingly a source of controversy especially in Central Asia.

FAO is ready to assist countries in their efforts to respond to these challenges and eliminate hunger and extreme poverty. This is not something we can do alone: we need to work under the leaderships of governments and together with other partners.

There is also great potential for intra-regional cooperation that we must explore. Many developed and developing countries are already doing this, and others are joining in this effort. Let me point out that, yesterday, at this Conference, Estonia committed to working with FAO to promote agriculture and rural development in countries from this region.

**Vision for Decentralization in the European Region**

Your Excellencies, ladies and gentlemen,

For FAO to be able to effectively assist countries, it needs to increase its presence in the field, bringing technical officers close to the people and institutions they are supposed to help.

A strong presence in the field also makes FAO better at the global level. While our normative work should guide our interventions in the field, the hands-on learning process provides a valuable input for international policy discussions.

I would like to call your attention to the fact that in the FAO context, the European Region has 54 countries. Despite being the regional group with the most Member countries in FAO, it is attended by a very few number of offices: The Regional Office in Hungary, the Subregional Office for Central Asia in Turkey, and a country level presence consisting of assistant FAO Representatives and national correspondents covering 12 countries. This coverage is insufficient, particularly in Central Asia and in the Russian speaking countries.

This Conference is invited to make recommendations and to offer guidance of how FAO should be structured in the region. This may imply a different distribution of the current human resources, so we have the correct mix of expertise to respond to the needs of our Members, and fully-fledged
representations in some countries. When doing this exercise, I ask you to take into consideration the financial constraints that all of us are facing.

If proposals will result in additional costs, it is important that they be accompanied by additional funding. I would like to appeal to the generosity of those countries in better economic situation to find innovative ways to increase their contribution to FAO and to support FAO's work, particularly in the less developed countries in the region.

I would also like to briefly mention the impact of arrears and late payments of the assessed national contributions have to FAO finances. In the current scenario, it seems that the Organization will need to borrow money in the second semester of 2012 to implement the commitments we have already collectively agreed to.

As we all know, the world faces a challenging financial and economic situation. The OECD has just released a report showing that aid to developing countries fell because of the global recession. Nevertheless, many countries have been able to maintain or increase their contribution. I want to recognize their efforts and encourage governments not to cut international aid. It is in times of crises that the poorest populations need us the most.

I want to end by, once again, thanking the Government and people of Azerbaijan for hosting this Conference and you and your delegations for participating in it. I am sure we will meet the goals we have placed in front of us at this gathering. Thank you.