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Medium Term
Plan



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Director-General's Introduction

I take pleasure in submitting to the Council, through the Programme and Finance Committees, the proposed Medium Term Plan for the period 2006-11.

The revamped Medium Term Plan (MTP) is now a well entrenched practice in the Organization. It is worth recalling that it stems from the landmark decisions by the Conference at its session of November 1999, when it endorsed both a long-term Strategic Framework (SF) and an enhanced programme - budget process for FAO.

In building on the preceding two versions of the MTP, which appeared to have been appreciated by the Governing Bodies, this document includes a number of innovations, such as the application of the new programme model to the “non-technical and technical cooperation” areas in addition to the “technical programmes”. Therefore, Part II now covers the entire PWB programme structure, showing that it is possible to apply a results-based approach to all activities. Other innovations are the addition of chapters on “Regional Dimensions” and “Capital Budgeting”.

In line with the desire expressed by the concerned Bodies to see a more concise document, a major effort was made this time to adhere more closely to the concept of a “rolling” plan. This concept implies indeed that each version of the plan should primarily focus on change over the previous version, therefore avoiding unnecessary repetition of details in terms of both explanations of the contexts or planned activities for those entities which have not substantially changed. And in fact, there is no loss of information as it is always possible for delegations to consult FAO’s Web site to obtain more details if they so wish.

While Part II follows the established programme structure of the PWB, to which Members are accustomed, Part I shows how the Corporate Strategies and the Strategies to Address Cross-Organizational Issues (the SACOIs) of the Strategic Framework are to be translated into effective action. Priority Areas for Inter-disciplinary Action (PALAs) which facilitate inter-disciplinary responses to problems which cannot be satisfied with simple sectoral solutions are similarly treated. The approach to Part I in the MTP will, if it meets with Members’ expectations, be followed in the PWB and eventually in the Programme Implementation Report (PIR) as already tentatively done in the PIR 2002-03 which is also before the Committees and the Council at the same sessions.

Traditionally, the MTP includes indicative resource projections over its six-year period of coverage. When resource requirements for the future are to be addressed,

they cannot be artificially divorced from the experience of the recent past and the situation prevailing at the present time. One needs again to recall the unfortunate history of budget decisions reached in FAO in the last few biennia. In November 1993, the Conference adopted a budget level for the following biennium of US\$ 673.1 million. This was followed by a nominal decline to US\$ 650 million and a period distinguished by so-called zero nominal growth, since on three successive occasions the Regular Budget Appropriation was held at US\$ 650 million. A ray of hope came in November 2001, when for the first time in many years the budget was approved on the basis of zero real growth, even if this involved a level of only US\$ 651.7 million.

The compromise reached in the Conference in early December 2003 involved a substantial nominal increase in the budget to meet part of the anticipated cost increases for the present biennium and, more significantly, the currency impact, both of which are factors beyond the control of the Organization. But the Membership was not in a position to endorse again a zero real growth budget which would have required an increase of close to US\$ 150 million simply to maintain purchasing power. Regrettably, this led to further cuts to the programmes and to reductions in staff in order to meet the reduction in the budget of just over US\$ 50 million in real terms. On the positive side, there was a parallel decision to adopt a split currency system of assessments, which should remove the need for much of the discussion on the impact of exchange markets on PWB proposals in the future.

The search for complementary extra-budgetary resources will obviously be pursued as a major preoccupation for all concerned units. However, Members have repeatedly emphasized that the core programmes of this Organization, the capital of expertise and the unique platform it offers for concerted action at a time when daunting challenges are facing humankind generally and in the food and agriculture sector in particular, must be adequately funded under its Regular Budget. With this imperative in mind and recalling the erosion of resources by 24% in real terms experienced since 1994-95, this MTP continues to make the case for the needed resumption of real growth.

The proposed percentage of overall real growth is only 2.2% per annum. This is in line with the net GDP growth currently experienced and forecast for countries in the euro area – selected as they were forecast as being the slowest growing group of OECD countries. The rationale for this growth rate is to keep the evolution of FAO’s resources in line with the minimum GDP growth expected amongst the major contributors to the

Organization's budget. Is it far fetched for an international Organization, the mandate of which covers a key sector of the world economy and which moreover has experienced prolonged budgetary restraint over so many years, to contemplate a level of real growth which simply evolves in harmony with the GDP of those countries which are also the major contributors to its budget?

It needs to be stressed that the real growth proposed in the MTP, beyond being quite modest, is not applied "across the board". It is deliberately focused on a limited number of high priority areas. While all FAO units have been invited in the first instance to firm up their plans based on existing resource levels in the aggregate, they were subsequently asked to develop a restricted set of real growth proposals. These are highlighted in the document through special "boxes" under the applicable programmes.

In summary, the real growth has been applied to:

- *selected technical programmes under Chapter 2, benefiting in particular work on forestry and fisheries but even there not for all programmes, while strengthening other areas such as: the International Treaty on Plant Genetic Resources for Food and Agriculture, the International Plant Protection Convention (IPPC), the Rotterdam Convention and related activities on the safe use of pesticides, EMPRES, Codex Alimentarius, FIVIMS, support to Members in relation to the Multilateral Trade Negotiations, FAOSTAT, WAICENT, SARD and related activities, the implications of HIV/AIDS, Gender mainstreaming and the SPFS;*
- *policy assistance work under Chapter 3 (taking account in particular of the concerns expressed by the Programme Committee regarding under funding of this key area); the Investment Centre to enable it to satisfy at least in part the strong unmet demand for its services; and the FAORs to redress, albeit only very partially, the negative impact of cumulative cuts;*
- *the Technical Cooperation Programme (TCP), with additional resources progressively raising its share of the Appropriation with the aim of bringing it closer to the level of*

17%, as called for in Conference Resolution 9/89; and

- *the AFF and AFH divisions under Chapter 5, with limited provisions to reinstate lost General Service posts in AFF and for the implementation of the Human Resources Action Plan led by AFH, thereby meeting concerns expressed in the Finance Committee.*

Other important needed investments or one-time expenditures are proposed under the Capital Budgeting facility set up by the last Conference, as explained in Part IV of the document.

As befits the formulation of an MTP, every effort was made to reflect in the proposals known concerns and expectations of the Membership. Clearly not all can be accommodated if resources remain as tight as they are at present under so many areas. As per established practice, the Committees on Agriculture, Fisheries and Forestry will also have the opportunity at their scheduled sessions of 2005 to provide advice on those activities falling under respective mandates and their views will be given due consideration in the budget preparation process for 2006-07.

I trust that the Programme and Finance Committees and the Council could see their way to endorse in principle the proposals in this Medium Term Plan 2006-11, while detailed observations and requests for adjustments will of course be given full consideration in the PWB preparatory process.

In this light, I look forward to a positive outcome from the discussions in the Committees and the Council.



Jacques Diouf
Director-General

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Enhanced MTP Process

1. As stressed in the Director-General's Introduction, the MTP has a central role in the "suite" of FAO programme planning and reporting documents since the adoption of the Strategic Framework in 1999. Behind the document itself, lies a complex formulation process involving the application of results-based budgeting (RBB), supported by the Programme Planning, Implementation Reporting and Evaluation System (PIRES).
2. One can say in a nutshell that the MTP embodies FAO's main programme planning process under results-based planning and budgeting principles. As such, it focuses primarily on the formulation of programme proposals, including their rationale, contribution to Strategic Objectives and Cross-Organizational Strategies, intended outcome and related performance indicators; and on the prioritization of such proposals. Other dimensions included in the document, such as resource estimates, are specified to the extent necessary to support overall programme prioritization and formulation.
3. So far, as was evident in the first two versions of the MTP, the main accent was on applying RBB to technical activities. This tended to create an artificial dichotomy between technical work and the remainder of FAO activities which can be referred to as the non-technical and technical cooperation (NT/TC) programmes. The latter were in effect only very obliquely addressed in the previous MTPs, if at all.
4. Therefore, changes to the process and to the format of the document in the context of this MTP 2006-11 have been guided by:
 - the need to expand the results-based approach inherent in the new programme model to the Organization's non-technical and technical cooperation areas;
 - a better recognition of the implications of the Strategies to Address Cross-Organizational Issues (SACOs) in the planning process;
 - further efforts to sharpen the focus of programme formulation for technical work, while maintaining broad continuity in major thrusts;
 - the need to respond to the decisions of the last Conference regarding Capital Budgeting (see more details in Part IV); and
 - the expectations of a shorter document, due to the intended rolling nature of the MTP.

Application of results-based principles to non-technical and technical cooperation (NT/TC) areas

5. The NT/TC areas comprise all PWB Chapters and Major Programmes except for Chapter 2 and Major Programme 3.1. It is recalled that three types of "entities" are used in connection with the latter: Technical Projects (TPs), Continuing Programme Activities (CPs) and Technical Services Agreements (TSs).
6. Recognizing the particular nature of the NT/TC areas when compared to the technical programmes, three broad categories of work were identified: i) on-going services delivered to internal users; ii) discrete packages of services designed to deliver a benefit directly to member countries or other external users; and iii) large-scale projects generally designed to improve internal services.
7. Accordingly, three entity types, somewhat analogous though not identical to those used in the technical programmes, have been defined in the context of NT/TC programmes: continuing services (CSs); support services to Members and other partners (SPs); and projects (PRs).
 - **CS entity:** It should normally cover services and major outputs of an on-going nature, mainly provided internally. The main focus of formulation for these entities is to define: i) the internal services provided (i.e. the major outputs); ii) the reason why the service is

essential; and iii) service level standards (e.g. efficiency, user satisfaction) and performance improvement measures.

- **SP entity:** This encompasses services of a continuing nature provided to external stakeholders, mostly, though not exclusively member countries. A key focus of formulation, as in the technical programme entities, is the clear identification of user groups so as to facilitate collection of client feedback in evaluating programme effectiveness at a later stage.
- **PR entity:** This should be a reasonably large time-bound activity, normally geared to improving service standards, and operating over a maximum time horizon of six years. The focus of formulation is on defining the benefits to be gained from undertaking the project in terms of: i) what is expected as a result of the project's output, in terms of improvements to continuing services; and ii) cost-benefit, with quantification, if possible, of efficiencies to be gained. It is noted that this entity is particularly relevant in the context of activities funded through extraordinary means, including through the capital budgeting facility. Accordingly, as capital budgeting matures over the course of future biennia, it is anticipated that more entities of this type will be formulated.

8. In addition to the eventual extension of other results based management practices including annual assessment and auto-evaluation, the application of the new model in NT/TC programmes has also been geared:

- to recognize the pivotal role played by these programmes in operationalizing the six Strategies to Address Cross-Organizational Issues (SACOI) by linking each entity to one SACOI;
- to facilitate continuous improvement in organizational service delivery through identification of indicators and targets; and
- to identify opportunities for efficiency savings over several biennia, as a major consideration in entity formulation.

9. An additional dimension worth noting, in particular for the non-time bound entities (CS and SP mentioned above), is the use of a periodic SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) as an integral part of the conceptual design.

Sharpened focus of entities in technical programmes

10. Further refinements to the design of entities under technical programmes were encouraged. These were principally aimed at ensuring clearer relationships with Strategic Objectives and a prime focus on the achievement of results. These innovations, as well as other improvements to the MTP process in general, were facilitated by a substantially revamped version of the MTP module of the computerized system PIREs and supported by a series of training sessions, distance learning materials and one-to-one tutoring arrangements for programme managers.

11. In view of the importance of incorporating feedback from implementation monitoring into forward planning, programme managers were invited to improve current entity formulations, in particular for performance indicators and related targets. This conceptual effort was able to build for the first time on information from annual summary assessments and gathered to support the production of an enhanced Programme Implementation Report (PIR).

12. Further, to allow for increased focus on the specification of primary user groups, intended outcomes and associated indicators, a simplification of planning requirements at the Major Output (MO) level was introduced for this MTP. Linkages to Strategic Objectives, PAIAs and Partner Agencies, formerly to be specified at the MO level, have been aggregated to the programme entity level, and are therefore shown at this level in the associated MTP database posted on FAO's Web site.

13. It may be noted that while the PIREs system had generally been accessible only at headquarters during the MTP 2004-09 formulation process, it was used by Regional Offices to prepare and submit proposals on medium-term priority areas for technical work in their respective Regions. Other system enhancements have been made to support analysis of the regional dimensions of programmes and activities.

14. Also worthy of note is that the data collection exercise which was part of the MTP 2004-09 leading to the section in that document entitled: "Extra-budgetary resources for FAO Normative and Operational Activities" was not carried out again, as experience subsequently proved that this forecasting effort did not prove of much value in dialogue with potential donors. However, those extra-budgetary resources, which are treated as "Other Income" in the PWB continue to be included in the resource projections for the MTP. An updated narrative for the SACOI on "Leveraging Resources for FAO and its Members" is provided in Part I below.

Implications of a "rolling" Plan

15. The Strategic Framework (Paragraph 143) sets forth the rolling nature of the MTP, which is "*...to be updated every two years by deleting completed programme entities and including new ones that are proposed to be commenced in the planning period. The revision will also take into account the outcome of evaluations and implementation performance reporting...*".

16. Therefore, as regards technical work, the focus for this third version of the revamped MTP was on identifying any changes necessitated by: i) the findings of programme, thematic or strategic evaluations, or auto-evaluations; ii) major conclusions drawn from summary assessments performed for 2002-03; iii) material changes in the external environment (e.g. new programmatic requirements, a lower assigned priority); iv) the continued application of the Council criteria for priority setting, and/or v) significant resource adjustments. All proposals for changes to entities were closely scrutinized and evaluated for conformity with one or more of the above factors.

17. Accordingly, this document provides detailed information only for the new entities introduced in 2006-07 or for those existing entities that were substantially reformulated. Full details for all programme entities active in the MTP 2006-11 can be found on the Web site at the address <http://www.fao.org/mtp>. A total of 33 new or substantially reformulated entities are presented with the required details in this document. The same number of entities in the MTP 2004-09 are to terminate at the end of 2005, either because they were initially planned in this manner or because of deliberate action and replacement with new work (often as the result of recent evaluations). There are a few cases of conversion from TP to CP status and extensions of original timeframes for a few other TPs. There are several changes in titles for increased clarity over the MTP 2004-09 (but no change in scope implied) which have generally been effected already in the current PWB 2004-05.

18. Technical Departments were also allowed, although not formally required, to identify potential new programme entities to initiate in 2008 or later in the planning period. However, in order to properly assess their feasibility, significant additional information currently not available would be needed, including *inter alia* the results of auto-evaluation of existing related entities. Therefore, they are not presented in the document.

PART I: IMPLEMENTATION OF FAO'S STRATEGIC FRAMEWORK

Challenges and demands on FAO

19. A self-evident step in the analytical process for the Strategic Framework 2000-2015 was a review of the external context and major challenges faced by FAO. The latter were also extensively canvassed during the preparations for the World Food Summit (WFS) and the World Food Summit: *five years later* (WFS: *fyf*).

20. Since 1999, a large number of outlook studies issued by FAO or prepared for the Technical Committees of the Council and many Expert Bodies have sought to address future trends regarding the vast and complex food and agriculture sector and the attendant challenges. The results confirmed the continued validity of the long term corporate Strategies and Strategic Objectives of the Organization.

21. A helpful “eye opener” to this third version of the revamped MTP is an abridged version of the relevant part of a document submitted to the Programme Committee at its session of May 2004, where the context facing FAO was summarily described in terms of six major challenges, as follows.

The persistence of food insecurity and poverty

22. FAO's latest estimates of the number of under-nourished people worldwide signal a worrisome setback in the struggle against hunger. The WFS goal of reducing the number of under-nourished people by half by 2015 can now be reached only if future annual reductions can be accelerated to an average of 26 million per year, more than 12 times the yearly pace of 2.1 million achieved to date. Sub-Saharan Africa and South Asia account for a very large share of the 842 million people worldwide that are still under-nourished (67%).

23. However, several countries were successful in reducing the number of under-nourished over the last decade, particularly when they experienced relatively higher economic growth rates, coupled with healthy agricultural growth rates, fewer food emergencies and more equitable income distribution to reduce poverty. How to match this recipe for success in other countries remains a major challenge for the countries themselves and the international community which wishes to assist them. Important obstacles will remain the continued incidence of natural or human-induced disasters and the destabilizing impact of the HIV/AIDS pandemic.

Urbanization - dietary transition and changes in processing and marketing systems

24. Virtually all of the world's population growth expected between 2000 and 2030 is to be concentrated in urban areas. Provisioning expanding urban markets will clearly be another major challenge for agriculture and food systems in the years to come. Delicate transitions will have to be monitored and adequately managed throughout the developing world, in order to avoid too severe dislocations to prevailing traditional systems. Key issues in this transition are: the increasingly commercial orientation of production systems; the daunting problems of food safety; the efficiency of processing, transport and marketing systems; the competition for land between agriculture and urban dwellings and infrastructure; and the pace of dietary change, both in qualitative and quantitative terms.

Changing patterns of trade

25. FAO's projections foresee a continued deepening of the agricultural trade deficit of developing countries. The more positive position of these countries in respect of trade of fish and seafood, as well as of forest products, will need to be sustained, without endangering the natural resource base and in a context of more stringent market access requirements. The search for new export opportunities and market "niches" will be very important in trade policy formulation and support programmes. With the emergence and strengthening of international standards and regulatory frameworks, Members will also need to manage and further adjust the new rules-based agricultural system in a way which is conducive to the expansion of international trade and domestic markets, but also in a way which explicitly addresses food security and rural development objectives, as well as national financial and administrative capacities.

Access to production inputs and technology

26. Access to production inputs will remain a major concern in virtually all countries, primarily due to the growing scarcity of land and water resources available for agricultural production. Scarcity of land and water resources calls for technologies for sustainable intensification, including water management, increases in productivity, stress tolerance, involving resistance to pests, reduced environmental impact, coupled with effective tenure arrangements. Adequate access to other production inputs will also be critical, such as seeds of adapted varieties, fertilizers and other chemical inputs, mechanical inputs, delivery of research, extension, financial and marketing services and even labour, as labour scarcities are becoming a common feature in developing country agriculture, even in the so-called labour surplus economies of Asia. Privatization of delivery systems should lead to positive benefits, while both public and private sector service institutions need to be strengthened, as well as producer organizations and cooperatives.

Environmental threats

27. While environmental degradation can often be perceived as a longer-term concern, there are clear indications of serious environmental threats with, in some cases, irreversible consequences for affected regions and communities. One example is rapidly expanding and intensifying livestock production in tropical and sub-tropical areas, with often very high animal densities, associated with substantial environmental as well as social and public health risks. For fisheries, the dramatic depletion of important marine fish stocks and the related need to control illegal, unreported and unregulated fishing and, in the forestry sector, the persistent deforestation in most regions, combined with the impact of forest fires, have been well documented, and are the object of concerted international action to try to remedy them. Cross-sectoral issues such as the impact of agricultural production and forest degradation on climate change and *vice versa* urgently need attention. Such action will need to continue over extended periods. Managing difficult tradeoffs will require good information on the full costs and benefits associated with corrective changes and massive capacity-building in developing countries in order for them to be able to promote environmental management in a manner consistent with achieving economic growth and poverty alleviation. Countries will also need extensive assistance to meet their treaty obligations under international environmental agreements and improve their own environmental regulatory regimes.

Gaps in knowledge and information

28. The 21st century is to be marked by the massive impact of Information and Communication Technologies (ICTs). Many low-income food-deficit countries (LIFDCs) and some other developing countries are unable to take advantage of opportunities to improve productivity, markets, food quality and the overall economic performance of their agricultural sector because of lack of access to essential information and knowledge. Addressing the digital divide is important in the context of efforts to combat hunger and poverty particularly among the rural poor and critical for countries

wishing to participate in the global economy. FAO will need to pursue its catalytic role in promoting the generation of knowledge and information and in collecting, analyzing and disseminating knowledge and information, especially statistical data.

Strategies to address members' needs

29. The five Corporate Strategies in the Strategic Framework (labelled A to E) are further articulated in terms of 12 more specific Strategic Objectives (SOs). Responding to these SOs is a prime consideration in the design of entities under FAO's substantive programmes. Bearing in mind that the first criterion for priority setting is concerned with relevance to the Strategic Framework, programme entity managers are required to identify which SO is targeted by a given entity and to explain the contribution of the entity to the achievement of the SO as explicitly as possible. On the basis of this information, this part of the MTP provides a synthesis by Corporate Strategy and Strategic Objective.

Priority Areas for Inter-disciplinary Action (PAIA)

30. In view of their innovative nature, PAIAs have hitherto often been presented in a separate section in programme planning documents. There is a risk that work under the PAIAs could be perceived as being only loosely connected to the Organization's approved Strategic Objectives. In fact, support to PAIAs is self-evidently to be embedded in the design of the pertinent entities and joint work under the PAIAs by all concerned units also contributes in a significant manner to the SOs. Therefore, the main outputs foreseen under PAIAs are shown below under the SO of most relevance. The same approach has been used as regards *ex post facto* reporting in the Programme Implementation Report (PIR) 2002-03.

31. The changes introduced as regards PAIAs since the MTP 2004-09 are as follows (N.B. PAIAs are conveniently referred to by a four-letter acronym).

a) Transformation of an existing PAIA

32. It may be recalled that, as originally designed, the PAIA on: "Strengthening capacity for integrated eco-system management" (ECOM) was of a somewhat hybrid nature. Its title clearly conveyed what was one of its primary intended purposes, i.e. to foster in-house cooperation in the use of the integrated eco-system management approach. However, it also included two programmes of inter-disciplinary assistance of critical importance to the concerned Member Nations, i.e. in arid and semi-arid zones and mountains. Needed in-house cooperation linked to the latter two programmes in effect extends well beyond the application of the integrated eco-system management approach, and the visibility of these programmes was somewhat negatively impacted by their being subsumed into the ECOM PAIA. Moreover, the programmes on arid zones and mountains have strong interfaces with external political pronouncements, i.e. respectively the UN Convention on Combating Desertification (UNCCD) and UNCED Agenda 21 and the subsequent International Year of the Mountains (IYM) for which FAO was the designated lead agency (as well as for its follow up). These strong external interfaces were also largely overshadowed by the ECOM label.

33. The ECOM PAIA has by now largely exhausted the purpose of promoting the integrated eco-system management approach. The latter is now effectively applied in several areas (e.g. biodiversity, fisheries). It is, therefore, possible to formally remove the ECOM theme – taken in the narrow sense – from the list of current PAIAs. The approach would, of course, continue to be mainstreamed and applied in sectoral programmes where relevant.

34. It ensues that the two active programmes of assistance relating to arid and semi-arid zones and mountains should be "upgraded" to full PAIA status, with the titles and acronyms of respectively: "Combating Desertification (DSRT)" and "Sustainable Management of Mountains (MTNS)". Even under the previous ECOM label, these PAIAs had their own organizational

arrangements and clearly identified collaborative activities. These are expected to continue, and the latter change is thus largely a matter of presentation.

b) New PAIA on the Implications of HIV/AIDS on Food and Agriculture

35. The HIV/AIDS pandemic was identified as one of the major threats to food security at the WFS: *fi*. It is addressed by one of the Millennium Development Goals (MDGs) and is closely linked to several others. Member Nations have stressed the need for adequate agriculture sector responses to mitigate the impact of the disease. Several FAO bodies, including CFS, COAG and the two most recent African Regional Conferences have urged FAO to pursue analysis of the links between food insecurity and HIV/AIDS. On two occasions, Members of the Programme Committee have requested consideration of establishing a PAIA on HIV/AIDS.

36. Therefore, the new PAIA (with the self-evident acronym of “AIDS”) is to coordinate normative outputs, technical assistance and policy guidance given to countries regarding the ways in which the agriculture sector (including forestry and fisheries) can contribute to mitigate the impact of the HIV/AIDS pandemic. It should also lead to corporate information products on HIV/AIDS.

37. In fact, the PAIA status would only consolidate cooperation among the units which have been working so far on HIV/AIDS through an informal working group. To date, 14 FAO technical divisions are involved in areas as diverse as: nutrition, agro-forestry, agro-biodiversity, livestock, fisheries and emergencies. Indeed, the nature of the interactions between HIV/AIDS and food insecurity requires that the interventions be inter-disciplinary. The above coordinating mechanism will be strengthened and the PAIA will be supported by the current corporate focal point on HIV/AIDS (SDW), especially through Programme Entity 252P1. This arrangement would increase the visibility of work on HIV/AIDS and assist with the intent of becoming a UNAIDS co-sponsor, thus improving prospects of receiving significant amounts of extra-budgetary resources.

c) Total number of current PAIAs

38. The 15 other PAIAs included in the MTP 2004-09 are expected to pursue their work as originally designed, subject to the lessons learned in the first biennium of implementation (2002-03) and related minor adjustments in scope and approaches. The functioning of PAIAs is addressed under the SACOI of Ensuring Inter-disciplinarity in the following section. The above changes imply that the number of current themes recognized as PAIAs in the MTP process would increase from 16 to 18.

Corporate Strategy A

A1 - Sustainable rural livelihoods and more equitable access to rural livelihoods.

39. Major Programme 2.1 supports this objective in large part through entities 214A1 and 214B3, seeking to enhance small farmer incomes by improving options and skills for market-oriented farming, and stressing farmer-market linkages. Various entities in both the crop and animal sectors (212A9, 212B2 and 213P2), also aim to reduce rural poverty by assisting poor farmers with affordable technologies and fostering equity in access to resources. Planned work on enhancing capacities for sustainable production systems and good agricultural practices (including in livestock production), particularly under 210A3 and 213B5, is also to contribute to Strategic Objective A1.

40. Major Programme 2.2 will carry out important analysis under entity 220A6 for a better understanding of rural livelihoods and problems of access to resources, especially by investigating how the transformation of food systems impacts small rural producers and consumers. Entity 224P2 will explore the multiple pathways through which agriculture and non-farm activities affect rural livelihoods and poverty.

41. The conditions of poor fisher folk will be addressed by Major Programme 2.3 in a variety of ways: assessing options for access to lucrative export markets and returns to fishermen; programmes for improved skills in fish utilization and technology; the indirect impact of Monitoring, Control and Surveillance (MCS) systems in terms of protecting fish stocks and ensuring sustainability of fish resources; dissemination of technologies for reduction of discards and environmental impact on and from fisheries; and the promotion of management measures to address the specific concerns of artisanal and small-scale fishermen.

42. Under Forestry, entities 243A5 and 243P4 relate to this strategic objective primarily through: awareness-raising on the forestry contributions to poverty alleviation in rural areas; techniques for improved utilization of forests and trees; and promoting enhanced participation of all stakeholders in the formulation and implementation of national forest programmes and activities.

43. As regards Major Programme 2.5, Programme 2.5.2 in particular has a strong focus on rural livelihoods, e.g. through the analysis of linkages between gender and population factors, including HIV/AIDS, and various coping strategies and options for the rural poor. Gender-sensitive analysis is also to be built into policies for ensuring more equitable access to, and control over resources. Under another Programme, entity 253A5 is to disseminate best practices in terms of sustainable, affordable approaches for access to land and other natural resources. It will also address land tenure security for the rural poor, including women and other disadvantaged groups. Entity 253A6 will cover important complementary aspects of strengthening of rural institutions and participatory processes, while the thematic groups of the UN system network on WFS follow-up will pursue active exchanges and dissemination of information on sustainable livelihoods.

A2 - Access of vulnerable and disadvantaged groups to sufficient, safe and nutritionally adequate food.

44. The main contributor is self-evidently Major Programme 2.2 through its nutrition-related work. Entity 221A2 *Nutrition Improvement for Sustainable Development* is to enhance the effectiveness and sustainability of national plans of action for food security and nutrition. *Community Action for Improved Household Food Security and Nutrition* (221A4) is central to the implementation of this objective by assisting national and international development institutions and Non-governmental Organizations (NGOs) to develop and deliver community-based programmes in both urban and rural areas, including those targeted at people living with HIV/AIDS. Close partnership will continue with WFP in this regard. *Food and Nutrition Education, Communication and Training* (221A5) is to raise capacities of governments and civil society to provide guidance for the general public and vulnerable groups. This will include food-based dietary guidelines, food and nutrition education in schools and communities, using diverse channels of communication. Programme 2.2.4 is to undertake analysis and develop policy proposals on a number of key aspects: the roles of agriculture and rural non-farm activities in hunger and poverty reduction; the sources of income and access to assets by poor rural households; the design and evaluation of safety nets and other programmes to enhance direct access to food; and the relationship between poverty and natural resource depletion.

45. Contributions from other Major Programmes will include: work on improved utilization of fish for human consumption, including food safety aspects; support to rural communities depending on forest activities or living close to forested areas through information on the potential of these resources; and targeting of vulnerable households affected by HIV/AIDS, acting through adult and junior farmer field schools to enable them to maintain agricultural production and adequate nutritional status.

A3 - Preparedness for, and effective and sustainable response to, food and agricultural emergencies.

46. The two sides of EMPRES (Entities 212P6 *Plant Pests Component* and 213P2 *Progressive Control of Transboundary Animal Diseases*) as well as entity 212P3 *Migratory Pest Management* which seeks to

control desert locust and other pests, are clearly major contributors to Strategic Objective A3. Other activities under the crop and livestock programmes are designed to provide advice on preparedness for, and effective and sustainable responses to food and agricultural emergencies. This is also done for the benefit of fishing communities under Major Programme 2.3.

47. Under Major Programme 2.2, *Nutrition Improvement for Sustainable Development* (221A2) and even more so *Nutrition and Household Food Security in Emergencies* (221A6) will support capacity-building on nutritional aspects in emergency preparedness, response and rehabilitation through guidelines and training. This will also include coping mechanisms to protect livelihoods and household food security. The main contribution is, however, through 223P6 *Global Information and Early Warning System on Food and Agriculture (GIEWS)* which by essence is to facilitate the prompt provision of relief assistance to people affected by natural and human-made disasters. The GIEWS will continue to cover: special reports and alerts on food shortages; crop and food supply assessment missions to disaster-affected countries; and the assessment of emergency food aid requests from governments. Analytical studies linking emergency operations to rehabilitation and development are also to be undertaken. Analysis of food security in complex emergencies and the design of better responses will be covered under 224P6.

48. Under Forestry, the major risks relate to plant pests and forest fires. Entity 241A1 assists with integrated pest management and forest health programmes to minimize the frequency and gravity of emergencies and facilitate rapid suppression when they occur. As regards forest fires, technical assistance is provided to governments on: policy and management issues; preparation of country risk profiles; training of technicians and communities in fire management; and national and sub-national legislation to facilitate cooperation in forest fire management.

49. It should be recognized that the response to emergencies is largely funded from extra-budgetary resources although TCP is also used for urgent interventions pending effective mobilization of resources by donors. Responsibility for emergency operations lies with the Emergency Operations and Rehabilitation Division (TCE) which also coordinates the transition from relief to rehabilitation.

PAIA on Local Institution Building to Improve Capacity for Achieving Sustainable Rural Livelihoods (LHOO)

Main Outputs

- Consolidation of cross-departmental activities, including sharing of experiences and understanding of effective approaches on:
 - livelihoods diversification,
 - rural service delivery, and
 - access to resources;
- field-oriented action/research programmes (under extra-budgetary funding);
- technical/organizational/policy advice to countries for rural service delivery, livelihoods enterprise diversification and access to natural resources;
- guidance relevant to producer organisations, support to networks and fora on policy analysis related to livelihood themes.

PAIA on Disaster Prevention, Mitigation and Preparedness and Post Emergency Relief and Rehabilitation (REHA)

Main Outputs

- Operational methods and tools (both at field and headquarters levels) covering: assessment of impact; identification of priority needs; planning, monitoring and evaluation of interventions in response to crises that affect food security and agricultural based livelihoods;
- identification, in complex emergency situations, of appropriate short and long-term measures that enhance communities' resilience taking account of effective livelihood needs and local priorities;
- in post conflict situations, measures for the re-establishment of effective institutional frameworks for the rural sector and promoting market integration;
- strengthening of local institutions to improve natural disaster preparedness and promote more resilient livelihoods; and
- implementation of the cooperative arrangement between the International Atomic Energy Agency (IAEA) and FAO on information exchange and technical support in relation to food and agriculture in the case of a nuclear or radiological emergency.

Corporate Strategy B

B1 - International instruments concerning food, agriculture, fisheries and forestry, and the production, safe use and fair exchange of agricultural, fishery and forestry goods.

50. Two intra-departmental entities under Major Programme 2.1 (210P1 and 210S1) house the secretariats of the *Commission on Genetic Resources for Food and Agriculture (CGRFA)* and the *Committee on Agriculture (COAG)*, the former supporting a major international instrument related to food and agriculture. Other entities are concerned with standard-setting (i.e. 212P2 on *Pesticide Management*, 212P1 covering the *Secretariat of the International Plant Protection Convention [IPPC]* and 212P4 providing *Technical Support to the International Treaty on Plant Genetic Resources for Food and Agriculture*). The Major Programme also provides platforms for consultation and negotiation, for example on the integration of environmental, public health and other issues in the livestock sector (213B2 and 213B6).

51. Major Programme 2.2 is also heavily involved with key normative instruments. The Codex Alimentarius Commission, serviced by the *Joint FAO/WHO Food Standards Programme (221P2)*, will further develop internationally accepted, science-based food standards and related instruments for use by governments or as a reference in bilateral, regional or international agreements, and to protect consumers and ensure fair practices in the food trade. Standards are established in the areas of food labelling and nutrition, food safety, specific foodstuffs, and food inspection, testing and certification. The standard setting work of Codex is facilitated by entity: *Food Safety Assessment (221P6)*, which provides scientific assessments of food-related risks associated with additives and contaminants, veterinary drug residues, microbiological hazards in foods as well as methods and procedures for undertaking such assessments, including for foods derived from biotechnology. The entity on *Nutrient Requirements and Dietary Assessment for Food Safety and Quality (221P1)* determines internationally accepted estimates for healthy diets. They are used in assessments of the number of under-nourished and in the design of nutrition programmes. In the trade area, *Support for Implementation of Multi-lateral Trade Negotiation Outcomes (224A4)* and *Analysis and Consensus-Building on Emerging Commodity and Trade Issues (224P4)* aim at enabling countries, especially developing countries, to participate effectively in trade negotiations, towards a rules-based international trading system.

52. Major Programme 2.3 will pursue work related to safety and quality assurance of fish products to comply with international trade and food standard agreements. Its scientific advice and support to Codex Alimentarius leads to internationally harmonized fish standards. The programme will also assist with developing guidelines for coastal fisheries management of international relevance. FAO-supported regional fisheries bodies are expected to continue to play a significant role in the elaboration of international instruments for sustainable capture fisheries and aquaculture.

53. In the forestry sector, while a major internationally agreed instrument for protection of forest resources is a distant prospect, Major Programme 2.4 will provide further information, technical papers and expertise to the UNFF (UN Forum on Forests) and its intersessional activities. FAO also chairs the Collaborative Partnership on Forests (CPF) and is heavily involved in the CPF's joint activities. The Major Programme is to remain very active in connection with climate change negotiations, providing analytical information to countries to assist their understanding of the implications of forest related developments in the Climate Convention and the benefits that may accrue through the Clean Development Mechanism.

B2 - National policies, legal instruments and supporting mechanisms that respond to domestic requirements and are consistent with the international policy and regulatory framework.

54. Under Major Programme 2.1, several entities will contribute to this Strategic Objective by: strengthening national capacities for implementing and harmonizing food safety, phytosanitary, plant protection, veterinary/public health and other standards (215P1, 212P1 and 213B4); promoting concepts and principles for agricultural water use efficiency and conservation (211A1); assisting countries in pesticide management (212P2); providing decision support tools to address policy issues in the livestock/veterinary sector (213B2, 213P2, 213B4 and 215A2) as well as in other areas such as biodiversity in crop and grassland systems (212B1).

55. Many aspects of the normative work undertaken within Major Programme 2.2 will further translate into policy analysis, advice and capacity building at the national level, including the roles of agriculture and the rural sector in the alleviation of hunger and poverty. Within the food safety and nutrition domain, extensive policy advice and capacity building is to be provided to countries to strengthen food control systems and adopt Codex standards for domestic food safety and facilitate international trade. *Agricultural Adjustment and Policy Reforms* (224P1) aims at informing policy makers of agricultural policy options, building capacity to design, adjust and evaluate these options and negotiate and implement enabling policy frameworks for agriculture development. In trade-related areas, besides substantial assistance in the context of follow-up to trade negotiations, complementary advice is provided through entity: *Enhancing Diversification and Competitiveness of Agricultural Commodities* (224P5). Assistance to countries in the context of the *World Agricultural Information Centre (WAICENT)* (222S2) addresses policy issues and needs for agricultural information, including via regional consultations.

56. Major Programme 2.3 will further support countries in fisheries policy formulation and management measures, placing policy makers in a position to draw on international experience in solving national issues, and making the chosen solutions and actions consistent with international instruments that address fisheries management. National policies will also need to address sustainable aquaculture development, which may well lead to substantial requests for FAO's advice.

57. As regards forestry, three entities, 241A8, 243A3 and 243A4 are directly relevant to this Strategic Objective. 241A8 assists countries in complying with the UNFCCC (UN Framework Convention on Climate Change) by putting in place legislative mechanisms and building capacities of national institutions. The other two entities provide advice on the formulation of legislation, policies and codes of conduct, as well as forest institutions to enforce policies and legal frameworks.

58. Major Programme 2.5 is concerned with national capacities in the application of new technologies (biotechnology, ICTs), including regulatory frameworks for technology transfer. An

important area of activity it to provide advice on the implementation of various multilateral environmental agreements at country level - especially from the perspective of the food and agriculture sector.

59. As regards policy assistance, Programmes 3.1.1 and 3.1.2 are also to provide analytical support for national policies and strategies to remain compatible with commitments reflected in international agreements. This is particularly important for small economies which have little room for independent manoeuvre. Programme 3.1.3 is to pursue well appreciated assistance to countries in developing national legislation on food and agriculture that is in compliance with, and for the implementation of, relevant international instruments. It will provide guidelines and other methodologies specifically targeted at the application of international norms in national contexts. The legal database FAOLEX is regularly updated and expanded with wide-ranging information and legal drafting references which are used in framing national legal systems and in formulating international agreements.

PAIA on Biosecurity for Agriculture and Food Production (BIOS)

Main Outputs

- Tools and advice to assist countries in the assessment and evaluation of international policies and instruments relevant to food safety, animal and plant health, and biosafety;
- development of a corporate strategy on biosafety;
- a fully operational Internet Portal, including cooperation with national authorities (minimum of 80 countries) and other international agencies, as well as capacity building to enable them to contribute to and utilize the Portal;
- guidelines on risk assessment, risk management and risk communication as they relate to biosecurity and tools to assess national biosecurity capacity building needs; and
- field projects to support national biosecurity programmes and strengthen national infrastructures.

PAIA on WTO Multi-lateral Trade Negotiations on Agriculture, Fisheries and Forestry (AWTO)

Main Outputs

- Support to countries for international trade negotiations;
- national and sub-regional capacity building, for countries to adapt to and comply with new trade agreements;
- analyses of consequences of new agreements on trade, poverty and food security;
- round-tables and workshops at the national and regional levels on implementation issues;
- support to countries for full utilization of new trading opportunities; and
- enhancement of national trade information collection and analytical capacities.

PAIA on Climate Change Issues in Agriculture (CLIM)

Main Outputs

- Inclusion of climate change issues such as mitigation and adaptation in normative activities and field projects dealing with: energy, field crops and animal production, conservation agriculture, small-scale agro industries, forestry, water management at farm level, extreme climatic conditions;
- promotion of biofuels as substitutes for fossil fuels;
- assistance to countries to benefit from flexible instruments such as the Clean Development Mechanism (CDM), including reporting obligations and project formulation;
- capacity building at national level in areas such as: carbon sequestration, reduction in greenhouse gases emissions from agriculture, land cover monitoring and desertification, forestry and climate change;
- support to the UNFCCC Secretariat in technical questions such as the evaluation of methods and tools to assess impacts, adaptation and vulnerability to climate change;
- maintenance of a thematic Internet portal;
- consolidation of data and information systems used to assess the impact of climate change on agriculture, fishery and forestry; and
- guidelines on best practices and techniques for effective mitigation and adaptation to climate change.

Corporate Strategy C

C1 - Policy options and institutional measures to improve efficiency and adaptability in production, processing and marketing systems, and meet the changing needs of producers and consumers.

60. This Strategic Objective is served by many entities in Major Programme 2.1, providing policy and technical advice as well as capacity building on specific aspects of the national agro-food system, in response to the changing needs of producers and consumers. The most heavily involved are those concerned with input supply, mechanization, marketing and other agricultural services (214B1), agro-industries (214B4), small and medium post-production enterprises and farmer-market linkages (214A4 and 214B3). Other entities, e.g. 214A9 *Enhancing Food Quality and Safety throughout the Food Chain*, 213B4 *Veterinary Public Health and Food Safety*, 211A3 *Integrated Land, Water and Plant Nutrition Policies Planning and Management*, 213B5, 213B6 *Livestock Contribution to Poverty Alleviation and Livestock-Environment Interactions* and 210A3 *Enhancing Capacities for Sustainable Production Systems and Good Agricultural Practices*, also make direct substantial contributions to C1.

61. Under Major Programme 2.2, capacity building on *Food Quality Control and Consumer Protection* (221P5) is to further enable countries to enhance their food control systems and harmonize their food standards and regulations with the Codex Alimentarius with a view to ensuring the safety and quality of food supply. Likewise, *Food Quality and Safety throughout the Food Chain* (221P8) is to provide a practical framework for countries to address key elements and actions required along the food chain for safe and nutritious food. The entity on *Market Assessments for Basic Food Commodities* (223P3) will pursue work on enhanced market efficiency and participation of developing countries in commodity markets through better informed policies and decision making. Periodic reports on *Projections and Global Commodity Market Assessments* (223P4) will play an indirect role through information to adjust policies, strategies and plans to seize trade-related opportunities. Entity 220A6 will develop options for small farm producers to take advantage of rapidly changing food systems.

62. A substantial share of activities under Major Programme 2.3 aim at designing policy options and formulating national strategies for countries to initiate/expand their aquaculture and capture fisheries sectors. Technical standards and guidelines are to be produced for promotion of responsible fisheries (marine and inland) and aquaculture management. Technical support will also address efficiency in fish handling, processing and marketing. The growing emphasis to be put on national capacities for MCS (Monitoring, control and surveillance) and international cooperation on MCS is clearly of major relevance to this Strategic Objective.

63. Major Programme 2.4 supports C1 primarily through three entities: 242A3 *Forestry Sector Outlook Studies*, 242A4 *Economic Aspects of Forests* and 243A3 *Strengthening National Institutional Capacities*. The regional and global outlook studies, as well as planned economic and institutional studies, will provide much useful information for the formulation of national forestry policies and the implementation of effective institutional reforms.

64. The contributions of Major Programme 2.5 are mainly directed at the development of policy options and improved efficiency and capacities of national institutions involved in education, research, extension and technology transfer. A major priority is to facilitate the adoption of appropriate technologies in all sub-sectors of agriculture. One entity, 252S1 is to promote methods, tools and strategies to integrate gender, population, and HIV/AIDS considerations into national agricultural development programmes and projects in direct support of C1.

65. A major contribution of Major Programme 3.1, which is often not readily perceived, is to ensure that policy advice to countries is consistent with the normative (best practice) solutions identified by technical departments in all pertinent aspects of agricultural, fisheries and forestry production, processing, consumption and trade, as well as the recommended institutional measures. Therefore, policy advice aims at putting in place in countries the enabling environment for these technical solutions to work effectively and to be sustainable.

C2 - Adoption of appropriate technology to sustainably intensify production systems and to ensure sufficient supplies of food and agricultural, fisheries and forestry goods and service.

66. Major Programme 2.1 also makes a significant contribution to this Strategic Objective by testing and disseminating technologies to intensify crop and livestock farming systems. This is the prime purpose in a broad range of areas such as: integrated production systems, Good Agricultural Practices and conservation agriculture (210A3), integrated pest management (212A5 and 212B4), horticulture (212B2), technologies and biotechnology applications for livestock development (215A2 and 215A2), veterinary public health and food safety (213B4), rice development (212P5), land and soil productivity and agricultural land management (211A2 and 211A3), agricultural water use efficiency and conservation (211A1), and enhancement of food quality and safety through processing and marketing (214A9). The adoption of improved techniques is fostered by a variety of practical approaches, e.g.: models and demonstrations to improve farmers' knowledge on integrated crop management through Farmer Field Schools (FFS); capacity building of institutions to transfer technologies and good practices; wide dissemination of methodologies and guidelines on crop water productivity and irrigation system modernization; norms and standards for cost-effective greenhouse technology; and guidelines and capacity building for safe animal feeding, milk and meat hygiene.

67. Major Programme 2.3 also has a strong technological dimension as regards fisheries and aquaculture. Technical advice is provided to countries on many aspects of fisheries and aquaculture development, e.g.: guidelines are produced for rehabilitation and improvement of fisheries habitats; improved technology is promoted to preserve fish and reduce post harvest losses, in particular in small scale fisheries; and national and regional policies designed for aquaculture to ensure sustainable growth in output of farmed fish, crustacean and molluscs.

68. In the forestry sector, one entity, 242P2 *Appropriate Utilization of Forest Products*, is focused for the most part on developing, promoting and widely disseminating technologies for wood harvesting,

utilization of woods and non-woods products. It also encourages further development of bio-energy, as a renewable source of energy.

69. Major Programme 2.5. contributes to C2 by providing methodologies, guidelines and training materials on better service delivery and access to market opportunities for government, private sector, NGOs and producer groups. More effective policies and institutional arrangements related to service delivery also depend on the appropriate use of participatory processes. Through entities 251P1 and 251A8, the Major Programme also provides to a broad range of users comprehensive environmental and natural resource data and technical support on: agrometeorology, land cover, energy and geo-spatial analysis in response to agricultural emergencies.

70. The Special Programme for Food Security (SPFS, Programme 2.5.6) will continue to make a substantial contribution to both C1 and C2. It is a catalyst for the elaboration of national programmes for food security and associated Plans of Action, usually lasting three to five years. A typical plan specifies institutional arrangements that enable feedback from pilot activities involving farmers to inform national policy-making processes. Such plans also set out requirements for strengthening of capacities, especially through training of farmers and front-line extension staff, to facilitate a progressive extension of field activities to new communities. An important component of the SPFS is the analysis of socio-economic constraints – through a systematic participative approach. In the extension of its preliminary phases, the SPFS will further address macro-level constraints, thereby creating an environment favourable to expanded agricultural production and trade. On the technological side, three components of the SPFS will pursue innovations in farming technology and support for upstream and downstream services: 1) water management; 2) the sustainable intensification of crop production systems; and 3) the diversification of production systems into short cycle animals, artisanal fisheries, aquaculture and tree crops.

PAIA on Organic Agriculture (ORGA)

Main Outputs

- Guidelines for the establishment of appropriate legal and policy frameworks on organic agriculture, including standards (for organic production, certification and judgement of equivalency) and policy measures that facilitate both supply and demand;
- formulation of integrative approaches to soil and nutrient management, plant protection, animal husbandry, aquaculture, post-harvest operations and *in situ* conservation of biodiversity, which could be suitable for organic agriculture;
- technical studies and policy analysis of the contribution of organic agriculture to food security, rural livelihoods and international trade, with particular emphasis on diversification of production and alternative certification and market channels; and
- dissemination of information on organic agriculture through country profiles, statistics (on production and trade) and support to information networks and public-private partnerships.

PAIA on Food for the Cities (FCIT)

Main Outputs

- Publications on appropriate planning and policy frameworks for urban and peri-urban food production and marketing systems;
- regional and national workshops to raise awareness and promote urban and peri-urban agriculture and improve food supply and distribution systems;
- dissemination of proven technologies and best practices through information and training materials and projects relating to urban and peri-urban agriculture (including livestock, urban and peri-urban forestry, food safety, improving water quality and management, food processing and marketing);
- interactive Web site and coherent communication strategy on Food for the Cities; and
- active participation in international networks and fora dealing with urban and peri-urban agriculture and related issues.

PAIA on Integrated Production Systems (SARD/SPFS) (PROD)

Main Outputs

- Technical papers on sustainability challenges and strategies for several macro farming systems addressing environmental, economic and social dimensions;
- briefing notes on sustainable technologies for crop and livestock production, agro-forestry, aquaculture, land and water management, and agro-processing within integrated systems;
- position papers on good agricultural practices in support of related initiatives and programmes in specific subregions;
- assessment of the viability of conservation agriculture in specific farming systems and capacity building for conservation agriculture;
- guidance for formulating and implementing field programmes covering appropriate production technologies, including through the SPFS; and
- Web site and databases on sustainable production practices.

PAIA on Biotechnology Applications in Agriculture, Fisheries and Forestry (BTEC)

Main Outputs

- Decision support tools and training materials on the sound management of biotechnology and related issues in food and agriculture; to be coupled with national and regional workshops;
- support to inter-disciplinary projects on biotechnology;
- analytical reports and information documents for inter-governmental and technical meetings, which cover trends and developments in biotechnology research and products, e.g. commodity markets and trade in genetically modified (GM) crops, agricultural impacts of GM crops, effects of intellectual property rights on agricultural research;
- support to the development of a Code of Conduct on Biotechnology, as relates to genetic resources in food and agriculture, in line with the guidance of the CGRFA; and
- Web site on biotechnology, with links to other relevant sites within and outside FAO, and heightened participation of national institutions; it will cover biotechnology techniques and products and policy and regulatory issues surrounding research on, and deployment of agricultural biotechnology; it will also include a multilingual glossary, a database of biotechnologies in use or in the pipeline in developing countries and an e-mail discussion forum on cross-sectoral technical and policy issues.

Corporate Strategy D

D1- Integrated management of land, water, fisheries, forest and genetic resources.

71. Under Major Programme 2.1, the three programmes on natural resources (which in effect covers mostly land and water resources), crops and livestock are clearly relevant to this Strategic Objective. Entity 211A3 is specifically dedicated to *Integrated Land, Water and Plant Nutrition Policies*, while other entities such as 211A5 *Land and Water Quality Improvement*, 213B6 *Livestock-Environment Interactions*, and entities related to plant protection and production (2.1.2), genetic resources for food and agriculture and good agricultural practices (2.1.0 and 2.1.5) are also significant contributors. In the pursuit of integrated management practices, they seek to reduce negative environmental effects and maximize environmental benefits. Two prominent initiatives will pursue support to world-wide conservation efforts in their respective areas: the Global Plan of Action on Plant Genetic Resources for Food and Agriculture (PGRFA), and the Global Strategy for Management of Farm Animal Genetic Resources. Support to tsetse and trypanosomiasis management in PAAT (Programme Against African Trypanosomiasis) – PATTEC (Pan African Tsetse and Trypanosomiasis Eradication Campaign) agreed areas, is also to be vigorously pursued.

72. Under fisheries, technologies and improved management measures for integrated aquaculture and inland fisheries production systems will be promoted. The identification, mapping assessment and monitoring of marine fishery resources will be a further contributor.

73. As regards forestry, the main relation to D1 is through three entities: 241A1 *Sustainable Management of Natural Forests and Woodlands*, 241A7 *Forests and Water* and 242A4 *Economic Aspects of Forests*. Through improved silvicultural practices, the role of trees and forests as an integral part of the landscape is to be enhanced. By making forests an integral part of the watershed, Major Programme 2.4 will seek to achieve substantial uptake of best practices and improved technologies for multipurpose land resources management, including water resources. In addition, it will pursue analysis of economic aspects of forestry, taking into account societal benefits from goods and services from forests.

74. Under Major Programme 2.5, entities 251A6 and 251A8 will provide support to countries so that national priorities ensure conservation of biodiversity, respond to climate variability and arrest desertification. Entity 252A3 *Gender and Natural Resources Management* will provide gender-sensitive support to the formulation of multi-disciplinary and integrated approaches to natural resources management.

D2 - Conservation, rehabilitation and development of environments at the greatest risk.

75. Major Programme 2.1 will disseminate technologies or methodologies for: wetland development and conservation; water logging and salinity control and rehabilitation; strategies and technologies for natural, low-input grassland systems; guidelines for the conservation, rehabilitation and development of environmental resources affected by livestock development and intensification; strategic actions for the extensive use of fragile environments and the management, breeding and production of species adapted to difficult ecologies. Training, information, dissemination and studies will contribute to disaster mitigation and control of water logging and salinity (211A5) in vulnerable countries.

76. Major Programme 2.2 is to further explore and assess policy options for increasing direct payments and incentives to conserve and protect those environments at the greatest risk from agriculture activities. The objective is not only to improve environmental quality but to contribute to poverty alleviation and food security in affected countries through the correction of market and institutional failures that lead to environmental degradation. Another contribution to D2 is through the entity on *Economics of Natural Resources and Environmental Sustainability* (224P3) which covers the analysis of empirical information on the economic costs of environmental degradation, specifically in the context of agricultural development. The results feed into methodologies which underpin formulation of agricultural policies by taking environmental costs into account.

77. Under Major Programme 2.3, the relevant provisions of the Code of Conduct for Responsible Fisheries will be addressed through a variety of means: support to cooperation for controlling access to fishing grounds; implementation of international understandings and guidelines for recovery and rehabilitation of marine and inland fish stocks; reduction of discards and environmental impact from fisheries; promotion of MCS to reduce harmful fishing activities in vulnerable environments; and methodologies for environmental risk assessment for capture fisheries and aquaculture.

78. Major Programme 2.4 contributes primarily through entity 241A4 *Conservation in Forests and Fragile Ecosystems*. Activities centre on best practices and guidelines aimed at conservation, rehabilitation and development of fragile mountain ecosystems (see PAIA below) and at the conservation of biodiversity.

PAIA on Integrated Management of Biodiversity in Food and Agriculture (BIOD)

Main Outputs

- Support to relevant policy fora or programmes, including the Commission on Genetic Resources for Food and Agriculture (CGRFA), other FAO technical Committees, the Convention on Biological Diversity, the International Plant Genetic Resources Institute (IPGRI) and the International Plant Protection Convention (IPPC), in order to ensure an enhanced profile of agriculture and positive relationship with biodiversity and the ecosystem;
- methodologies and guidelines on participatory technology development and adaptive management of agricultural biodiversity for sustainable food production and rural livelihoods;
- support to national programmes of community-based learning, including *in situ* conservation of biodiversity, access and exchange of genetic resources and strengthened indigenous knowledge systems;
- case studies on management of agro-biodiversity (including plants, forests, domestic animals, inland and marine fisheries, pollinators and soil biodiversity) using ecosystem approaches and with special reference to pastures, watersheds, natural forests and woodlands, buffer zones in protected areas, and organic agriculture systems; and
- multi-media products and training materials for both field practitioners and policy-makers on the sustainable management of agro-biodiversity.

PAIA on Combating Desertification (DSRT)

Main Outputs

- *At international level:* liaison with the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa; to support UNCCD bodies, in particular participation to the Conference of the Parties and other international meetings; representation of FAO at the Facilitation Committee and the Technical Advisory Group of the Global Mechanism; negotiation and/or implementation of agreement for cooperation with several leading institutions dealing with desertification; preparation of publications on best practices and policies to combat desertification; specific technical publications; CD-ROMs and Web site on desertification;
- *at regional and subregional level:* multi-disciplinary support to several large field projects or investment programmes on combating desertification e.g.: Terrafrica (under the leadership of the World Bank); LADA: Land degradation assessment of drylands (from GEF); the development of the Fouta Djallon (also from GEF); the Acacia development programme (funded by Italy); and
- *at national level:* technical and policy support to National Action Plans in several countries, in cooperation with the Global Mechanism and the Secretariat of the UNCCD.

PAIA on Sustainable Management of Mountains (MTNS)

Main Outputs

- Enhanced awareness of major stakeholders (governments, IGOs and civil society groups) of the importance of mountains ecosystems, and in particular of using inter-disciplinary and participatory approaches to their sustainable management and development;
- promotion of institutional arrangements at country level which allow for a multi-sectoral approach to development in mountain regions;
- capacity-building on integrated national strategies and programmes for sustainable mountain development, as well as related laws;
- support to international arrangements (e.g., UNCCD, UN Convention on Biological Diversity [UNCBD], Alpine Convention) to ensure that mountain issues are given adequate attention;
- assessment of the special needs of mountain environments and populations, in particular as they relate to food security programmes;
- support to the Mountain Partnership through FAO's wide range of technical expertise and experience in mountain regions, coupled with new collaborative partnerships on mountain issues; and
- support to countries and to technical networks concerned with mountain ecosystems, including support to the effective implementation of Chapter 13 of Agenda 21 (Sustainable Mountain Development) and Paragraph 42 (Mountains) of the Plan of Implementation of the World Summit on Sustainable Development.

Corporate Strategy E

E1 - An integrated information resource base, with current, relevant and reliable statistics, information and knowledge made accessible to all FAO clients.

79. The major contributions of Major Programme 2.1 are through: land and water information systems, databases and statistics (211P7); information-sharing and knowledge creation on crop and grassland production (212B4); information on livestock production and health and their inter-relationship with natural resource use under Global Livestock Information (213P1); databases related to the International Programme for Technology and Research in Irrigation and Drainage/IPTRID (211S2); and data and information systems on agricultural services (214P2).

80. Major Programme 2.2 will continue to be responsible for the generation of large amounts of statistics and information, of direct benefit to national authorities and other users, including serving the internal needs of FAO's programmes. Core statistical work is covered by *Agricultural Resources, Income and Food Security Statistics* (222P1) and *Agricultural Production, Trade Statistics and Food Balance Sheets* (222P2). The principal means of dissemination are Statistical Yearbooks and, through WAICENT, the Corporate Database for Substantive Statistical Data (FAOSTAT). Electronic collection and dissemination systems are also maintained under 223P3 *Market Assessments for Basic Food Commodities and Impact on Global Food Security* and 223P5 *Market Assessments of Tropical, Horticultural and Raw Material Commodities and Impact on Global Food Security. Management of FAOSTAT/CountryStat and Coordination of Statistics at FAO* (222Q1) is to build on updated methodology, working and dissemination systems of the current FAOSTAT and will expand outreach of CountryStat. Capacity building is to be provided through *Agricultural Surveys and Statistics Development* (222P3) to improve the availability, reliability, timeliness and usefulness of statistics at the national level. A special effort, supported by extra-budgetary resources, is the *Multi-Agency Programme for Capacity Building in Food and Agricultural Statistics in Africa* (222A6).

81. Major Programme 2.2 is also host to key activities in support of the World Agricultural Information Centre (WAICENT). These include the *FAO Country Profiles and Mapping Information System* (222A3), and the *World Agriculture Information Resource System* (222A5), the latter providing access to research and development information, including networking of national agricultural and research information systems. *WAICENT Corporate Information Management and Dissemination Systems* (222P6) is to provide the infrastructure and tools to make available FAO's multilingual information on food, agriculture and rural development, while *Facilitation of WAICENT Outreach* (222P8) is to strengthen capacity of users at country level to generate, access and exchange information. *Standards, Norms and Procedures for Improved Access to Agricultural Information* (222P7) will facilitate the adoption of international standards and methodologies for the collection, storage and dissemination of electronic information pertaining to food and agriculture, thereby enabling better management of national information systems, as well as coherence and quality. The picture is completed by entity 222P9, which acts as major repository of institutional information, and 222S2, which is another important capacity building arm of WAICENT.

82. The *Food Insecurity and Vulnerability Information for Better Policy Targeting* (FIVIMS) (220A1) is another important contribution to E1, as it provides Members and the international community with the means for generating accurate and timely information on the incidence, nature and causes of food insecurity and vulnerability at national and sub-national levels. In addition, the entity on *Food Safety Assessment* (221P6) will maintain databases on specifications for the identity and purity of food additives and maximum residue limits for veterinary drugs and for the assessment of food-related risks. *Nutrient Requirements and Dietary Assessment for Food Safety and Quality* (221P1) will compile and make available information on internationally accepted estimates of the minimum, optimal and maximum safe intakes of various nutrients required for healthy diets.

83. Under Major Programme 2.3, support will be provided to the Strategy for Improving Information on Status and Trends of Capture Fisheries (Strategy-STF). Improvement will be made in the quality of national fishery statistics (including small scale fisheries) and also the statistics in the integrated resource base made available to users. Contributions will be made to the development of fisheries information norms, standards, classifications, guidelines, arrangements and procedures and training provided for their implementation, facilitating the integration of fishery information and statistics. Basic data will be expanded on the identification, mapping and description of distribution patterns and other biological characteristics of world fishery resources, including species interactions and biodiversity. Information will be maintained and disseminated on the status of world marine fishery resources.

84. Concerning forestry, Major Programme 2.4 will provide at regular intervals the results of forest resources assessment, including FRA 2005. The Forest Products Yearbook, the recovered paper survey and the pulp and paper capacity survey form an integrated information database with current, relevant and reliable statistics. Other pertinent activities will include the biennial publication of State of the World's Forests (SOFO), the development and enhancement of the Forest Information System (FORIS) and the quarterly publication of *Unasylva*.

85. Under Major Programme 2.5, two entities, in particular 251A8 and 251P1, contribute to the establishment of an integrated environmental information base and support systems on environment and natural resources.

86. Under Major Programme 3.1, the system of country focus will seek to capture information (both internal and external to FAO) to meet the data support needs of policy advice and field programme development, which is to be linked to the Field Programme Information System. This information is the prime basis for policy briefs, country strategy papers, and sector review activities.

E2 - Regular assessments, analyses and outlook studies for food and agriculture.

87. Under Major Programme 2.1, a new entity 213B2 *Livestock Sector Analysis and Policy Development*, will carry out a comprehensive analysis of the major policy issues in the livestock sector at global and regional levels. It will explore the impact of the sector and changes therein on poverty reduction, the environment and public health. Contributions to Strategic Objective E2 are also made through entities 211P8 *Knowledge Management and Partnerships* and 210S2 *Technical Services for Partnership Development and Information Enhancement*.

88. Major Programme 2.2 hosts several key activities relevant to E2. Short-term market assessments and forecasts for *Basic Food Commodities* (223P3) and of *Tropical, Horticultural and Raw Material Commodities* (223P5) are to keep key actors informed of emerging commodity market conditions and opportunities. A major recurrent publication is to be *the State of World Commodity Markets*. Commodity outlook conferences (224P4) and the Committee on Commodity Problems and its subsidiary inter-governmental commodity groups (223S1) will continue to review emerging commodity market issues, including the impact of new and bio-technologies on trade, eco-labelling and fair trade, organic agriculture development and competitiveness of agricultural commodities. *The State of Food and Agriculture* (223P2) will further enhance awareness and understanding of global or major trends, constraints and opportunities in agricultural development. *Global Food and Agricultural Perspective Studies* (223A2) will inform key decision makers of long-term developments, constraints and opportunities in world food, nutrition and agriculture.

89. Contributions of Major Programme 2.3 are in terms of monitoring and reporting on global marine resources and relevant environmental and ecological changes, including the standardization and global reporting on the status and trends in the fisheries and aquaculture sectors. Regular assessment analyses and outlook studies on international fish trade and related issues, as well as on trends in fleet structure and size, will also be made.

90. Two entities of Major Programme 2.4 contribute to objective E2: 241P1 *Assessment and Monitoring of Forests and Woodlands Resources* and 242A3 *Forestry Sector Outlook Studies*. They will provide regular assessments of the status of forest resources and carry out global, regional and national level outlook studies in the forestry sector to support informed decision making.

E3 - A central place for food security on the international agenda.

91. The major contributor is Major Programme 2.2 through servicing and support to the *Committee on World Food Security* (220S1) as the main forum in which Members and development partners can review implementation of the WFS Plan of Action. Major Programme 2.2 also provides the secretariat to the Inter-Agency Working Group (IAWG) on food insecurity and vulnerability, facilitating documentation and dissemination of lessons learned internationally and at country and regional levels. *The State of Food Insecurity in the World* is the major flagship advocacy document that contributes to this objective. *Policy Analysis for Agriculture and the Rural Economy* (224P1) is to raise awareness amongst policy makers and international organizations to adjust and evaluate policies of relevance to agriculture and rural development. Studies on the economic cost of hunger under entity 224P2 *Agriculture, Rural Development and Poverty: Analysis of Linkages* will help raise the global profile of the fight against hunger. Through entity 220P1 *World Food Summit (WFS) and Millennium Development Goals (MDGs) Monitoring and Action*, FAO is to support the work of the Hunger Task Force of the Millennium Project, participate in monitoring of MDGs in the UN system, and provide annual progress reports on implementation of the WFS Plan of Action.

PAIA on Definitions, Norms, Methodologies and Quality of Information (QINF)

Main Outputs

- Continued standardisation of terms, definitions and categorisation schemes under the various subject matters or disciplines covered by FAO, including inter-disciplinary activities, by using international standards for classification applied across different data types, and establishing appropriate linkages among them;
- Web site covering methodologies, standardized data schemas, best practices;
- updated procedures to document and ensure the quality and consistency of statistical data (e.g. agricultural production, trade, food balance sheets (FBS), agricultural inputs, forestry and fisheries products, farm data and land and water indicators);
- standards and norms regarding country-specific information to facilitate data dissemination and integration on a country basis;
- standard data models to describe information resources such as experts, institutions, species and maps to assist in data exchange within and outside the Organization;
- improved methods of collection of national statistical information, and guidelines/best practices for high-quality publishing of a broad range of digital information resources for Members; and
- assessment of use of the FAO Web site resulting in recommendations on improved quality.

PAIA on Spatial Information Management and Decision Support Tools (SPAT)

Main Outputs

- Production of standard maps at various scales, such as base maps, international and administrative boundary maps, coastlines, rivers and water basins with their international name;
- guidelines for standardisation in the use of country and sub-national codes;
- manual on Geographic Information System (GIS) databases and products;
- generation of spatial agricultural country information and geo-referenced sub-national land use databases through FAO's Web site;
- enhancement of the corporate spatial data warehouse (GEONETWORK) with a broad range of services and links with outside partners; and
- updated methodologies for land-use surveys and land-use definitions, and decision support tools, particularly as relates to land use planning.

PAIA on Global Perspective Studies (GLOP)

Main Outputs

- Full technical report on "Agriculture Towards ..." perspective studies;
- regional perspective studies for the livestock sector;
- regional perspective studies for the forestry sector;
- perspective studies for fish consumption, supply and trade;
- updated perspectives for the prevalence of under-nourishment (in preparation of the 2006 World Food Summit Mid-term Review);
- development of a new analytical framework for undertaking food and agriculture projections and scenario analysis; and
- improved indicators and estimates of the environmental impacts of food and agriculture production, for use in perspective studies.

PAIAs cutting across Corporate Strategies

PAIA on Ethics in Food and Agriculture (ETHI)

Main Outputs

- Two biennial publications in the "FAO Ethics Series" (and further publications, if sufficient funding is available in a biennium);
- biennial meetings of the Panel of Eminent Experts on Ethics in Food and Agriculture;
- Web site for ETHI PAIA and related information management tools;
- cooperation with other inter-governmental and UN bodies, in particular UNESCO and WHO, on matters of common interest related to ethics; and
- documents relevant to ethics in food and agriculture, prepared by FAO units in the course of their normal work, to be gathered in a series, "Readings in Ethics".

PAIA on the Implications of HIV/AIDS on Food and Agriculture (AIDS)

Main Outputs

- Consolidated house-wide action plan on HIV/AIDS;
- policy guidance notes, methodologies and guidelines covering specific areas; and
- advocacy on the interactions between HIV/AIDS, food security and rural development and the agriculture sector's possibilities to mitigate the negative impacts.

PAIA on Gender and Development (GEND)

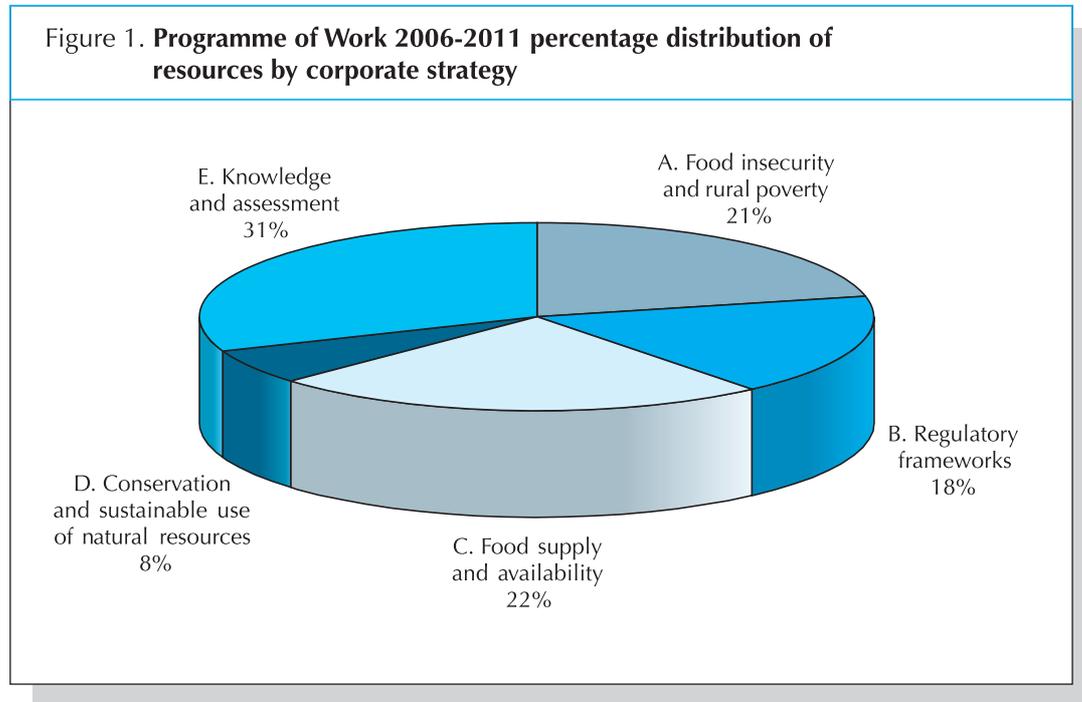
Main Outputs

- Increased capacity to integrate gender considerations in FAO's regular programme of work and projects and to monitor and evaluate them. This includes the development and dissemination of adequate indicators, tools, methodologies, guidelines, gender disaggregated data and analysis and gender-sensitive information systems;
- improved data and information dissemination, including an updated and interactive Web site; and
- gender-sensitive outputs based on collaboration between FAO units, covering aspects such as: women and women's organisations in the sustainable management of natural, plant and animal resources; enhancing small farmers' livelihoods and income opportunities; fostering labour saving technologies; transfer of knowledge and technology; "genderizing" regulatory frameworks and policy advice including Poverty Reduction Strategy Papers (PRSPs); managing skills and the development of rural financial products adequate for rural women; reducing vulnerability to HIV/AIDS, linking up to the AIDS PAIA.

It is recalled that more detailed outputs are provided in the Plan of Action on GEND submitted to the FAO Conference.

Resources Breakdown

92. The following Figure 1 portrays the distribution by Corporate Strategies (A to E) of resources for technical work over the Plan period.



93. The following table provides in percentage terms the breakdowns of resources for technical work by Strategic Objective.

Table 1: Distribution of Resources of Technical Programmes by Strategic Objectives (Percentages)

Strategic Objective	Title	Plan Period 2004-09 (US\$ 000)	Plan Period 2006-11 (US\$ 000)
A1	Sustainable rural livelihoods and more equitable access to resources	10.3%	13.3%
A2	Access of vulnerable and disadvantaged groups to sufficient, safe and nutritionally adequate food	2.5%	2.8%
A3	Preparedness for, and effective and sustainable response to, food and agricultural emergencies	7.0%	5.2%
B1	International instruments concerning food, agriculture, fisheries and forestry, and the production, safe use and fair exchange of agricultural, fishery and forestry goods	9.1%	8.7%
B2	National policies, legal instruments and supporting mechanisms that respond to domestic requirements and are consistent with the international policy and regulatory framework	9.1%	8.9%
C1	Policy options and institutional measures to improve efficiency and adaptability in production, processing and marketing systems, and meet the changing needs of producers and consumers	9.3%	9.3%
C2	Adoption of appropriate technology to sustainably intensify production systems and to ensure sufficient supplies of food and agricultural, fisheries and forestry goods and services	11.4%	12.7%
D1	Integrated management of land, water, fisheries, forestry and genetic resources	6.5%	4.9%
D2	Conservation, rehabilitation and development of environments at greatest risk	3.8%	3.4%
E1	An integrated information resource base, with current, relevant and reliable statistics, information and knowledge made accessible to all FAO clients	23.3%	23.5%
E2	Regular assessments, analyses and outlook studies for food and agriculture	5.9%	6.0%
E3	A central place for food security on the international agenda	1.8%	1.3%
Total		100.0%	100.0%

94. The following table provides in matrix form the distribution of the same resources by the two dimensions of Major Programme and Strategic Objective (from A1 to E3), i.e. aggregating the more detailed programme-level tables in Part II of this document.

Major Programme	A1	A2	A3	B1	B2	C1	C2	D1	D2	E1	E2	E3
2.1	●	○	●	●	●	●	●	●	●	●	○	○
2.2	○	●	●	●	●	●	○	○	○	●	●	●
2.3	●	○	○	●	●	●	●	○	●	●	●	
2.4	○	○	○	○	●	●	○	●	○	●	○	
2.5	●	○	○		●	●	●	●	●	●	○	○
3.1	●	○	○	○	●	●	○	○	○	●		

Legend: ○ less than US\$ 5 million
 ● US\$ 5 million to US\$ 20 million
 ● more than US\$ 20 million

STRATEGIES TO ADDRESS CROSS-ORGANIZATIONAL ISSUES

95. Planned actions responding to the six Strategies to Address Cross-organizational Issues (SACOIs) were fully illustrated in the preceding MTPs, particularly comprehensively in the MTP 2004-09. In accordance with the concept of a rolling MTP, it would not be appropriate to repeat the entire strategies but instead to highlight changes or particular areas of emphasis. The revised texts below take account of internal and external developments in the intervening period, as well as the limitations arising from cumulative resource constraints. It may be noted that the planning effort regarding SACOIs has benefited from the application of results-based principles to the “non-technical and technical cooperation” programmes. In particular, it was possible to better integrate the SACOIs - through identified planned contributions and expected achievements - in the programme of work of the Organization.

96. It is important to dispel a possible perception that SACOIs relate exclusively to the NT/TC areas. They clearly also depend on extensive contributions from, or involvement of technical programmes, particularly as regards inter-disciplinarity, partnerships, mobilization of resources and communicating FAO’s messages. These contributions have been highlighted to the extent possible under the pertinent narratives. Each SACOI operates under the guidance of a lead unit, as indicated below, which seeks to ensure appropriate inputs and coherent action across the whole gamut of FAO activities. As for PAIAs, several SACOIs are supported by one or more in-house Committees or inter-departmental working groups.

Ensuring Excellence (lead AF)

97. This strategy will continue to concentrate on two aspects highlighted in the MTP 2004-09:

- staff and other human resources; and
- learning and innovation.

98. The overall approach remains unchanged and hence the text below concentrates on areas of emphasis given the current constraints in resources.

Staff and Other Human Resources

The need to retain and develop excellent staff

99. The new Oracle-based Human Resources Management System (HRMS) being developed by AF will integrate existing systems handling various aspects of HR work by 2006. Facilitated by the expanded functionalities of the HRMS, the continuing assessment and development of skills and competencies of FAO staff will be instrumental in ensuring excellence, calling for further staff development initiatives and advisory support. More specifically:

- new staff development programmes are to be offered on communication skills, handling of media, managing teams within a multi-stakeholder environment and associated facilitation skills, and knowledge management;
- the management competency framework developed in 2004 for the Organization, through a participatory process, will serve to define the behaviour required of staff moving into managerial positions, and hence their staff development requirements;
- further innovative measures are to be explored, such as the launch in 2004 of a successful teleworking arrangement;
- responding to the demographic changes taking place at FAO as a result of the large number of staff retiring, attention will continue to be given to satisfactory induction training of new staff members; and

- the implementation of an effective performance management system during the 2004-05 biennium will ensure a more results-based and optimal use of human resources.

100. It is recalled that PWB formulation guidelines specify that 1.35% of staff costs are to be set aside for staff development. Efforts will continue to ensure effective use of these allocations, while understanding that such a percentage is still limited in relation to actual needs. In addition, increased resources are proposed under the growth scenario to support this effort.

The need to attract and recruit excellent staff

101. The advice given by AF to FAO units will continue to take account of the imperatives to attract and retain candidates of the required calibre, maintain appropriate geographical distribution and gender balance, to design jobs according to standards adopted by the UN Common System and obviously to meet the effective sets of skills required by the Organization. More specifically, it will be necessary to:

- improve FAO's profile as an employer, and its recruitment practices, e.g. by extending a global reach to seek out talented staff through a variety of means, and targeting under-represented countries;
- set periodic targets for junior professional positions with a view to rejuvenating the workforce;
- improve the staff selection process through tailored advisory and support services to line managers in selection and interview techniques, while also seeking to reduce the time to fill vacancies;
- use more modern classification tools (new Master Standard) for jobs, placing due emphasis on future organizational development, building of teams, and better links with performance management; and
- take account of rapidly changing job requirements in the General Service (GS) category due to the impact of technology and different organisational needs; based on an extensive review of GS job roles in 2004-05, particularly in the group of office assistant jobs, new job profiles will be based on updated skills and competencies and improved career development and mobility will be sought.

Organizational Learning and Innovation

102. FAO views innovation as a corollary to learning. Therefore, it will be important to pursue learning of lessons through formal evaluation and review processes. The key area of emphasis will be on the full implementation and institutionalization of auto-evaluation and the inherent learning process that it engenders. Organizational learning will be facilitated by the publication of syntheses of the results and lessons learned. The pilot stage is under way in 2004 with extra-budgetary assistance. With the recent budget reductions it will be a challenge to identify sustainable funding solutions in the future.

Enhancing Inter-disciplinarity (lead PBE)

103. The strategy has five thrusts:

- implementation of the Priority Areas for Inter-disciplinary Actions (PAIAs);
- use of inter-departmental committees;
- inter-disciplinarity at regional and country levels as applied to investment formulation, policy assistance and field operations;
- organizational learning through feedback from evaluation (particularly of PAIAs) with particular emphasis on inter-disciplinarity; and
- staff development which enables and supports inter-disciplinary work (e.g. team building etc.).

Implementation of Inter-disciplinary Actions

104. The emphasis is on the identified Priority Areas for Inter-disciplinary Action (PAIAs) which are clearly one of the most important dimensions of "inter-disciplinarity" in FAO's Programme of Work. The essence of many PAIAs is to bring to bear a number of different technical "disciplines" pertaining to the food and agriculture sector *lato sensu* to the solution of recognised problems, e.g. feeding expanding urban populations or promoting organic agriculture. Other PAIAs aim at fostering cooperation among units in the use of common tools or analytical approaches, or at ensuring coherent action within the Organization, especially when an external interface with an international convention or similar instrument is implied. Collaboration under PAIAs ranges from information exchange and mutual awareness, to joint commitments to implement inter-disciplinary outputs.

105. A major development since the last MTP was issued, is that the groups responsible for the current 16 PAIAs have carried out comprehensive assessments of the progress made in the 2002-03 period in respective areas. These assessments have highlighted a number of future strategic orientations which will influence joint work in the period of coverage of this Plan. One PAIA, ECOM was transformed as the result of these reflections (see rationale for the change in the preceding section). A new PAIA on HIV/AIDS is also to be formally established. The frequency of these regular assessments of progress will henceforth return to the originally envisaged yearly basis.

106. It is also recalled that the implementation of PAIAs is supported by a catalytic central budget provision, i.e. entity 210S5, the usefulness of which has been confirmed unanimously by all PAIAs groups. While it should not be considered as an "escape route" for divisions from making financial contributions and committing staff time to approved PAIAs from the resources allotted to them, this entity is expected to be maintained, at least in the immediate future.

107. While the outputs planned for the 2006-11 period under the now expanded list of 18 PAIAs are covered in the preceding section, the following organizational and practical measures will be actively pursued to facilitate joint activities:

- extending the recent review to the identification of "best practices" and their replication in other PAIAs;
- the progressive evaluation of PAIAs and other forms of cross-divisional ways of working, leading to a thematic synthesis of inter-disciplinary modalities and lessons learned;
- finding solutions to the lack of "facilitator" or facilitating unit, particularly for those PAIAs where this type of support is not provided through the existing structure, including the possibility of packaging support to a specific PAIA as a proposal to extra-budgetary donors;
- increased and more concrete involvement of decentralized staff through, for instance, briefings during reciprocal visits, assignment of regional colleagues to follow up on PAIA developments of direct interest to the region, and an improved two-way flow of information; and
- continued improvement of the PAIA sections of FAO's Internet Web site, keeping as far as possible to a common presentational approach and technical solutions, with GI support.

Inter-disciplinarity at country level

108. Particular emphasis is to be placed on improving the planning process at the country level so that FAO's strategy over the medium term in support of national development objectives becomes clear. This will involve identification of country priorities for FAO assistance and possible responses in terms of resource mobilization either through the Regular Programme (including TCP) or through extra-budgetary resources. These would be encompassed in a Programme Framework prepared by the FAO Representative with the support of other FAO units and in full consultation with the government and other stakeholders.

Broadening Partnerships and Alliances (lead TC)

109. As conveyed by their titles, several entities, i.e. 352P1 *Corporate framework for effective partnerships*, 352S1 *Enhancing the collaboration of FAO with external partners*, 352S3 *The International Alliance Against Hunger*, and 353P1 *Coordination of Partnership Programmes* are fully dedicated to supporting this strategy. However, partnerships permeate virtually every facet of FAO work, and implementation of this strategy is a truly collective undertaking of all units, falling into four basic areas.

Actions for Continued Partnerships with UN System Agencies and other Inter-governmental Organizations

Global Level

110. FAO will continue to participate in the relevant mechanisms of the United Nations System Chief Executives Board (CEB), (entities 111P3 *Liaison with Intergovernmental Organizations* and 131P2 *Strategic Policy Advice on the UN System*) as well of the UN Development Group (UNDG). It will seek more concretely: i) to ensure due recognition of food and agriculture issues in common endeavours of the UN system and in effective responses (also involving entity 220P1, *World Food Summit and Millennium Development Goals Monitoring and Action*); ii) to provide inputs to system-wide policy documents; iii) to facilitate common approaches to country-level programming mechanisms; iv) to support joint activities leading to awareness of the importance of hunger reduction and rural poverty alleviation (served by entity 224P2, *Agriculture, Poverty Alleviation, Rural Development and Food Security: Analysis of Linkages*); and v) to give special attention to cooperation with IFAD and WFP through coordinated country programming and projects.

National level

111. Through its country offices, FAO will need to remain an active participant to the UN system team, including inputs to the CCA and UNDAF exercises (with support from entities 311P1, *Coordination of Policy Assistance*, 311P4, *Coordination of Country Focus*, and 312P1, *Enhancement of Country Focus*). This should allow for alignment of its own programmes and projects with common analyses of development challenges (CCAs), as well as common planning tools for operational activities (UNDAF). Another key aspect of close cooperation at country level relates to national preparedness and prevention capacity for emergencies, and FAO's responses to humanitarian crises and in the transition from relief and rehabilitation to sustainable development (linking to the PAIA on *Disaster Prevention, Mitigation and Preparedness and Post-Emergency Relief and Rehabilitation*). Finally, FAORs will continue to ensure coordinated and focused action by development partners through the UN System Network on Rural Development and Food Security and its thematic groups, which is the follow-up mechanism to the World Food Summit Plan of Action (entity 253P1).

Action for Enhanced Cooperation with NGOs and CSOs

112. Cooperation with this important group is based on *FAO Policy and Strategy for Cooperation with Non-governmental and Other Civil Society Organizations (CSOs)*, at national, subregional, regional and global levels. It is convenient to view this cooperation in terms of three major areas.

Information exchange and joint information activities

113. The main elements will include: the enhancement of the NGO and CSO Web site; a corporate NGO and CSO database; information networks at national level; Regional Office bulletins and/or Web sites directed to NGOs and CSOs; and joint information campaigns (see strategy on *Communicating FAO's messages*).

NGO and CSO participation in policy dialogue

114. This dialogue will continue to be facilitated primarily by:

- regional NGO and CSO consultations held in conjunction with the FAO Regional Conferences;

- interaction between NGO and CSO networks and the Secretariats and Bureaux of FAO's technical committees and commissions; and
- mechanisms to support working jointly with NGOs and CSOs around specific initiatives or major events.

NGO and CSO cooperation in FAO's normative and operational activities

115. This may take several forms:

- possible involvement of NGO and CSO networks in PAIAs of major interest to them (e.g. LHOO or PROD);
- participation of NGOs, CSOs and social movements into the International Alliance Against Hunger and national alliances (entity 352S3); and
- civil society engagement in the adoption and implementation of the “right to food” voluntary guidelines.

116. It is useful to recall that this cooperation is supported by: an internal NGO and CSO Working Group, composed of representatives of all FAO's technical units and field offices, and serviced by TCDS; the incorporation of NGO and CSO concerns into FAO's briefing and training programmes; and updated guidelines on working with NGOs and CSOs at country level.

Actions for Enhanced Cooperation with the Private Sector

117. Collaboration with the private sector is based on guidelines issued in 2000 and which are still valid. A sponsorship committee will review the eligibility of companies interested in collaborating with FAO. Practical cooperation will continue to be supported by a Web site and database, the dissemination of targeted informative and promotional materials to potential partners, and joint policy and technical consultations and seminars.

Actions for Cooperation with Local Authorities

118. Collaboration with sub-national and local authorities in both developing and developed countries is a promising avenue of technical cooperation, as local entities are particularly interested and effective in poverty alleviation and local development. Building on recent successful experiences, FAO will actively canvass opportunities for cooperation and mobilisation of resources from decentralized entities for projects in developing countries (see strategy on *Leveraging resources for FAO and its Members*) while also promoting “twinning” exchanges across regions, with particular reference to the SPFS.

Continuing to Improve the Management Process (lead AF)

119. The thrusts of this strategy are:

- enhancing the ICT infrastructure;
- streamlining administrative procedures; and
- human resource change management.

Actions related to Information Systems

New generation of integrated systems

120. The strategy continues to emphasize the new generation of corporate administrative systems which is being put in place in a phased manner and is comprised of five main components:

- the Programme Planning, Implementation Reporting and Evaluation Support System (PIRES);
- the Human Resources (HR) component, which is to be based on standard Oracle HR functionality, including Payroll processing;

- the Procurement/Fixed Assets module;
- the Financial modules, which rely on Oracle products, i.e. Financials - General Ledger, Accounts Payable and Accounts Receivable, complemented by external modules dealing with Travel (ATLAS), Field Accounting (FAS) and Budget Management and Monitoring (BMM); and
- the Data Warehouse (DW), as the corporate repository of all budgetary, human resources, procurement and financial data handled by the Organization.

121. Within this set, at the time of writing, PIRES and the Financial and Procurement/Fixed Asset modules and the Data Warehouse have already been implemented, and the introduction of the Human Resources module is foreseen at the beginning of the Plan period. Periodic upgrades of these systems will be required, at a pace determined by the Organization's needs and industry developments. Much of the current development work is funded from arrears, but it is hoped that resort can be made to the Capital Expenditure Facility, once firmly established, for upgrades and major enhancements.

122. All the information systems of the Organization are underpinned by a comprehensive communications technology infrastructure, such as the new Wide Area Network (WAN) which was rolled out in 2002-3 to most FAO offices. Work will continue to complete this rollout, and to enhance its capacity. Those offices connected to the WAN can access the Intranet, i.e. one of the most important sources of information within FAO. Once completed over the medium term, the availability of these greatly enhanced IS/ICT facilities will have further profound implications on the work environment and human resources management of the Organization.

Supportive Tools

123. Among the major tools to retrieve information, the capacity of the DW will be expanded to allow for a wider variety of reports. Users will also be given the capacity to generate custom reports. The Country Office Information Network (COIN) as a repository of the information about each office, is also expected to be enhanced within the planning period. Other efficient tools will be made available through the Field Programme Management Information System (FPMIS) and PIRES.

Actions towards a Results-based Culture

124. In the previous MTP document, a number of actions were outlined to support an enhanced results-based culture in FAO, i.e. relating to the effective empowerment of budget holders to exercise their essential responsibilities and the further use and refinement of the new programme model which is the FAO version of the "results based budgeting" concept. The introduction of this model has, as is apparent from the current document, been strengthened for the technical programmes and has now been extended to the non-technical and technical cooperation programmes (see also the introductory section entitled *Enhanced MTP Process*).

125. Progress in the establishment of this results-based framework allows the strategy to move forward in extending the results-based culture to all aspects of the Organization's work. Key aspects will be:

- to further refine and clarify the role of the budget holder;
- to establish a clear linkage between the budget holder function and the programme entity manager (where the latter is not a budget holder);
- to move ahead with enhancing the alignment of authority and accountability to programme managers by:
 - completing the implementation of auto-evaluation; and
 - anchoring the new performance management system on the results-based corporate planning system.

Actions related to Human Resources Development

126. FAO will pursue a broad approach to human resources (HR) management and integrated HR systems, linking the HR function closely with FAO's strategic directions and programme priorities. Decision-making responsibility for human resources matters should increasingly lie with line managers, with the responsible units in AF Department primarily providing policy guidance, advice and support. A high rate of turnover as a result of retirement is expected during the MTP period, entailing a need to replace a large number of departing staff. This provides an opportunity for assessing future staffing needs in terms of numbers and skills, as well as for renewing the skills of current staff, thus enhancing capacity in line with FAO's strategic directions. Based on work force planning projections, skills replacement should be ensured for both the professional and general service categories, including through selective general service recruitment. This is largely already covered under the strategy on *Ensuring excellence* above.

127. Systems for more flexible deployment of staff, thereby achieving a mix of staff on short and longer-term contractual arrangements, would also be explored to be better attuned to programme needs.

128. As mentioned under "Actions related to Results-based Culture" above, the Organization accords importance to effective performance management and will therefore concentrate on the development of a system of performance management based upon work plans which reflect the Organization's corporate objectives as established in the MTP and PWB. In addition, the Organization will continue to pay attention to gender equality strategies to ensure gender balance in Secretariat staffing, gender sensitive development and training programmes and to monitoring of progress and reporting.

129. In the context of the UN Common System, FAO will actively engage with the other organizations of the system to streamline the administration of the remuneration package for staff. New approaches will be pilot-tested in the context of the ICSC review of pay and benefits in the period 2004-2006 and evaluated in 2007. It is anticipated that the introduction of such innovations as broad banded salary ranges and pay-for-performance will provide individual organizations with better means to meet their own human resources needs and strategies.

130. Effective staff-management communication and consultations and early conflict and dispute resolution, are key to productivity enhancement. It is intended to develop further a new mediation procedure, with emphasis on early resolution of problems and conflicts and outside the formal appeals procedure.

Leveraging Resources for FAO and its Members (lead TC)

131. Part II gives concrete indications of the leadership of the TC department in this overall effort, particularly through Programmes 3.5.1 and 3.3.3. Clearly, leveraging resources is not only a function of "marketing skills" alone, but depends on broad based action, starting from ensuring high quality of the services (programmes, projects and advice) being marketed. The main objectives remain:

- to increase extra-budgetary resources for FAO's technical assistance services, emergency and rehabilitation programmes, and normative activities in support of Members' needs;
- to mobilize resources to improve FAO's infrastructure and logistical capacity that would enable it to foster solidarity to fight hunger and malnutrition; and
- to catalyze increased public and private resource flows for agriculture and food security in general.

132. The main external partners can be perceived as falling in four groups:

- traditional donor governments (mostly OECD members);
- developing country governments;

- multilateral agencies and International Financial Institutions; and
- decentralized national entities, NGOs/CSOs and the private sector.

Extra-budgetary Resources for FAO's Programmes

133. Many recent actions have aimed at bringing country knowledge, sector analysis and policy advisory services (Programmes 3.1.1 and especially 3.1.2) to bear more effectively on the identification of country needs and field programme development opportunities.

134. The ingredients of further success in closing the gap between demand for and supply of FAO's services to the Membership are:

- a good understanding of the “market” for FAO's technical assistance services, e.g. what does “the market buy”, who are the main decision-makers and how to reach them, etc.;
- the preparation of country demand-driven programmes and projects, falling within the scope of FAO's comparative advantage and in accordance with donor priorities;
- improved information on donor requirements and more pro-active matching with recipient requirements, especially at country level;
- enhancement of project formulation and resource mobilisation skills of staff and wide dissemination of information on funding opportunities and modalities both at headquarters and decentralised levels;
- a greater role for decentralized FAO units at (sub-) regional and country level in the corporate field programme development effort;
- systematic analysis of the lessons learned from FAO's as well as from other institutions' projects; and
- full integration of FAO's projects and programmes in broader development initiatives at country level, such as UNDAFs, CCAs, PRSPs, etc. (i.e. putting into practice the so-called “Programme Approach to Development”).

135. New funding sources will be explored and effective and efficient funding modalities developed in each case, in close consultation with the parties concerned. In this connection, particular attention will be given to the “operationalization” of the three National Execution (NEX) business models, which were approved by the 32nd Session of the FAO Conference in December 2003.

136. As clear examples of how SACOIs are mutually supportive, this SACOI will work in complementarity to the strategy on *Continuing to improve the management process*, as the following actions are expected to have a direct impact on the development of FAO's field programme:

- delegation of managerial responsibilities including negotiation authority to, and strengthening relevant capacities (including human and financial resources) of, decentralized offices at sub-regional and country levels;
- further development of the Field Programme Management Information System (FPMIS) (Programme 3.3.2) to support coordination, planning and tracking of input delivery of technical assistance and emergency-rehabilitation activities, as well as related procedures, formats and tools; and
- other system developments, such as Oracle Financials under Programme 5.2.1, and PIREs under Programme 1.2.2, to facilitate accountability to both donors and recipients, and enhance available information on FAO's projects and programmes.

137. In like vein, in full consistency with the strategy on Communicating FAO's Messages, the services made available by FAO to Members and the results obtained, will be more systematically and effectively communicated to all stakeholders, including recipients and donors (public and private) at all levels.

138. Members will also be approached to provide additional human resources, such as seconded staff or Associate Professional Officers (APOs), including from developing countries. Funding

opportunities for APOs or seconded staff will also be explored with private sector companies under Programme 3.5.2. Still in the realm of human resources management, a particular concern under this SACOI is clearly to ensure secure working conditions for FAO personnel in the field.

Mobilizing Resources to Improve FAO's Infrastructure

139. Efforts will continue, as originally described in the MTP 2004-09, to mobilize resources from public and private donors for the improvement of FAO's infrastructures and from host governments to cover the expanded (e.g. for field programme development) responsibilities assigned to FAO's Country, Regional and Subregional Offices.

140. As more amply covered under the strategy on *Communicating FAO's messages*, it is important to mention the impact of the World Food Day, TeleFood and FAO Ambassadors programmes. A number of donors, particularly from the private sector, can support the organisation of outreach activities and campaigns. Emphasis is put on mobilising such contributions under Programmes 1.3.1 and 3.5.2.

Catalyzing Resources to Agriculture and Food Security

141. FAO's advocacy efforts extend beyond resources in support of its own activities, as the Organization seeks to catalyze increased public and private sector capital flows to agriculture and food security at country and regional levels. In doing so, Country Offices (Major Programme 3.4), Regional and Subregional Offices and Liaison Offices (Programme 1.3.2.) will increasingly be at the front-line of advocacy efforts, particularly when they are in a position to interact with donor representatives at their level.

142. In this broad area, key supportive actions include:

- mobilizing public opinion and decision-makers through international conferences and targeted communication campaigns, to attract world-wide attention to hunger and food insecurity issues, and raise political will and resources (see also strategy on *Communicating FAO's messages*); and
- enhancing the advocacy skills of government officials, ministries and extension services to be able to voice the importance of food security policies and of the agricultural and rural sector, and thus to foster support from the donor community.

143. It must be stressed that FAO's influence on national policy environments so that they be more conducive to expanding public and private sector capital flows, is also exercised through:

- its assistance in sector analysis and policy improvement (e.g. under Programmes 3.1.1 and 3.1.2);
- its assistance in preparation of investment programmes (Programmes 3.2.1 and 3.2.2);
- the harmonization and coordination of its development efforts with those of other agencies;
- the normative underpinning from its technical programmes of where resources can be more fruitfully applied at regional and national levels, depending on local conditions; and
- its assistance in the identification and mobilization of alternative capital flows, which are not debt - or dependency - inducing, such as the Clean Development Mechanism, the Global Environment Facility, Debt-for-Nature Swaps and Debt-for-Food Security Swaps.

Communicating FAO's Messages (lead GI)

144. During the period 2006-11, the corporate *Communication Policy and Strategy* will continue to guide the work of the Organization in external communication and information dissemination. The main principles of this corporate policy document are: participatory planning, corporate focus, decentralized implementation, systematic monitoring and evaluation. Four main factors will further influence FAO's communications activities, as follows:

- rapid technological changes;
- competition for development resources;
- diversification of FAO's stakeholders and audiences; and
- greater inter-disciplinarity in FAO's substantive work.

Establishing a "Communication Culture" and Supportive Planning Process

145. The process under which the Organization's biennial communication strategy and plan is prepared will undergo further refinement. Overall policy guidance will continue to rest with the Corporate Communication Committee. The GI Department is the natural lead unit for this exercise and will work closely with technical departments on developing communication strategies, and in planning and budgeting communication activities related to their individual programmes, and then draw the priority elements from these sectoral plans for inclusion in a global plan. This participatory approach is a prerequisite to ensuring an Organization-wide commitment to effective communication.

146. The implementation of the integrated Human Resources Management System (HRMS) under the leadership of AFH will also facilitate planning and needs assessment for staff training in communication skills. The AF and GI Departments will both be able to deliver better targeted training in such skills to FAO staff.

Focusing FAO's Messages and Targeting Strategic Audiences

147. Priority concerns in this area will remain: to enhance coverage of FAO's work in the field, to address more fully regional and sub-regional issues and to reach target audiences that are of importance to FAO's decentralized activities. This will imply in particular close collaboration between the GI Department and OCD, to ensure coordinated communication and liaison between headquarters units and FAORs on issues relevant to the latter offices.

148. The essential neutral forum function of the Organization requires an active and efficient two-way communication with Members. Therefore, efforts will continue to maximize the volume and quality of communication with national administrations and representatives of FAO Member countries, including through the well established work of GIC related to support to FAO Governing Body sessions, and official correspondence. In particular, extended use will be made of Web platforms for the posting of meeting-related correspondence and documents.

Public Awareness and Understanding of Issues Related to FAO's Mandate

149. The focus of public awareness activities will clearly be on the urgent need to fight hunger and achieve progress towards the WFS (and MDG) goal of reducing by half the number of the world's chronically hungry and undernourished by 2015. International news media are a key vehicle to mobilize support for this objective. The use of FAO-originated news material by national and international media organizations will be continuously monitored. The goal is to increase news

pickup from 5,000 to approximately 7,500 articles per year. Requests for radio interviews and copies of FAO videos and video material are also likely to increase.

150. Pro-active outreach to civil society and the general public will continue to promote a better understanding of the issues related to FAO's mandate. Through World Food Day and related activities including the use of FAO Ambassadors, the general public and agricultural decision-makers in countries across the globe will be sensitized to the various facets of the mandate of FAO and its role in the fight against hunger, as well as in addressing key emerging issues in the food and agriculture sector. Through the use of modern communication technologies, national World Food Day committees will be able to share information on national and local awareness-raising efforts via a dedicated Web site. Through broadcast partnerships, additional funds will be mobilized in support of TeleFood Special Fund projects.

Cost-effective and High-quality Information Products

151. The further development and updating of corporate standards and related guidelines for the preparation of information products, will contribute to quality improvements and global coherence, thereby enhancing FAO's image as a major multilingual technical publisher in its fields of competence. Intranet-based publishing guidelines and standards are to become the primary source of guidance for the technical departments. Use of on-line guidance is expected to increase five-fold over the period.

152. An important initiative is the development of an integrated publishing management system as a collaborative effort between the GI and AF Departments, through which all publishing activities will be planned and managed. The GI Department will provide a broad range of advisory services to the technical departments in the planning and preparation of publications, with expected significant efficiency gains. At the same time, core competencies in publishing skills – e.g. editing, design, layout and graphics – will need to be maintained and enhanced in line with technological advances, particularly to support the Organization's high-profile, multilingual publications. On-demand production for suitable FAO publications will continue as a means of reducing initial print runs and stockholding (together with associated costs) while ensuring the continued availability of the products through the Internet or in printed form, and will become the norm wherever applicable.

PRIORITIES AND RESOURCES

General Approach

153. The preceding sections will have demonstrated that due account has been taken in the MTP formulation process of the need to respond to both the Strategies to Address Members' Needs and the Strategies to Address Cross-organizational Issues (SACOs), through directly relevant activities. Clearly, the extent to which the Secretariat can implement these Strategies will depend on the resources made available by Members, in particular under the Regular Budget.

154. As for the previous MTPs, general parameters had to be set for proposals covering the 2006-11 period. FAO units could then work on the basis of target allocations by major PWB headings (i.e. Chapters, Major Programmes and Programmes) to adjust the pattern of component programme entities in the current 2004-09 Plan, by extending the planning horizon by two years while bearing in mind the substantially lower level of resources actually made available for the current biennium. This could often involve rescheduling end dates of technical projects because of reduced resources, factoring in new entities to replace those that have come to an end, or revising existing entities to reflect experience to date as reported in the recently introduced Annual Assessment process.

155. FAO departments and offices were asked, in the first instance, to review requirements for all the programme entities for which they were responsible, assuming maintenance of the existing levels of resources in the aggregate for each department (i.e. in effect, under ZRG conditions). They were subsequently invited to develop real growth proposals, adding resources to a restricted set of high priority areas. The percentage of overall real growth adopted for this MTP is 2.2 percent per annum consistent with net GDP growth currently forecast for countries in the euro area (i.e. selected as they were forecast to be the slowest growing group of OECD countries). The rationale for this growth rate is that the evolution of FAO's resources is seen at least to keep in line with the minimum GDP growth expected amongst the major contributors, while still well below OECD average. It does not seek to change the priority accorded to FAO by the main contributors to its budget – it simply seeks to maintain it.

156. In the case of technical work, the concerned departments were also required to take account of the priorities of Member Nations including the results of the application of criteria, both in the eventual realignment of resources across component entities within “ZRG” levels, and in considering proposals for real growth. Priorities set in the context of this MTP, therefore, very much influenced the allocation of resources as is demonstrated in the section on priority setting below.

Programme of Work and Appropriations

157. It is recalled that resources in the Programme of Work and Budget are presented in an integrated manner, i.e. those stemming from assessments on Members and miscellaneous income (both forming the basis for the Appropriations eventually voted by the Conference) are combined with Other Income, i.e. additional resources closely associated with the implementation of the approved Programme of Work for the biennium. Examples of such Other Income include: contributions by partner organizations to joint programmes, and reimbursements from funding sources of field project support costs, based on agreed policies. In the same way as in the PWB document, resource estimates in this MTP, particularly those in Part II, refer to the Programme of Work unless otherwise stated.

158. There are some differences worth noting in presentation of resource estimates between the global picture in Part I, and the more detailed picture in Part II (i.e. the estimates at programme and entity levels) which are worth signalling:

- centrally managed provisions, such as for computer services, or administrative support provided by the Management Support Service (MSS) of the AF Department, are not directly under the control of the responsible units, and are generally excluded from the detailed resource estimates in Part II; however, the entities under the Computer Pool Account and for the MSS have been articulated in the narratives and included in the table under Programme 5.2.2 *Information Systems and Technology Services* and Programme 5.2.9 *Programme Management* respectively;
- apart from the above exception, provisions for programme management, which do not involve any material change in scope, are not included in Part II for the sake of brevity; and
- as mentioned before, unprogrammed resources, e.g. resulting from technical project programme entities coming to completion between 2008 and 2011 are included in this Part I, and in the programme-level summary resource tables in Part II on a single line entitled “Programme Reserve” and not at entity level.

159. The issue of unprogrammed resources has been raised by the External Auditor. The indicative levels of resources shown for the next three biennia in Table 2 below consist of both programmed, identified at the entity level, and unprogrammed resources, shown at the programme level as a “Programme Reserve”. The External Auditor has questioned the extent of unprogrammed resources which, in the MTP 2006-11 are as follows:

Programme Reserve as a percent of total resources:

in 2006-07	0.0%
in 2008-09	4.9%
in 2010-11	6.6%

160. The cause of unprogrammed resources is worth explaining again. Technical projects (TP) finish at a certain end date and the resources released by their completion should become theoretically "available" thereafter. In practice, the eventual decision will often be to have a new TP covering a new aspect of the same programme (i.e. a Phase II or III) but with new time-bound objectives and major outputs which reflect the progress of the activity towards its ultimate goal.

161. At this point there are three options:

162. **Option 1.** Eliminate the "Programme Reserve" by insisting that technical departments formulate new phases for their technical projects beyond the current end date or propose entirely different successor entities and publish these in the detailed tables in Part II. This has the following disadvantages:

- Programme Managers would be obliged to develop technical projects in a fair amount of detail up to 6 years in advance (i.e. in the first half of 2004, they would have to anticipate detailed requirements for projects commencing in 2008 or 2010); and
- the process will have been forced out of sequence in that the results based model being implemented requires an auto-evaluation towards the end of the life of each TP and use of the lessons learned from the evaluation in the decision concerning the eventual extension, revision or termination of the work being performed by the TP. Under this option the new phase is assumed to be required and would be designed without full knowledge of the performance of the existing phase.

163. **Option 2.** Continue as is done now which is not to publish in Part II the use of any TP resources for entities which reach their end-date beyond the end of the first biennium of the planning period. In practice, programme managers are free to develop proposals for possible new phases where they feel that they are in a position to do so but, even in these cases, the proposals are excluded from Part II. However, Part I and, in particular, Table 1 below include all such amounts as well as tentative growth figure for future years, with the purpose of giving an overview of resources and their distribution for the planning period.

164. **Option 3.** Eliminate the general Table 2 below. This is the only instance in the document where comprehensive resource data are provided for three biennia. Given that the allocation of resources beyond the first biennium is tentative and in any case non-binding, the value of this table could be questioned. Removal of this table would emphasize that the purpose of the MTP is to allow the Governing Bodies to review and endorse new and revised programme entities rather than to approve total resource levels or allocations for a six year period.

165. The Secretariat is reluctant to recommend the first option as it would make unreasonable requests of programme managers.

Indicative levels for the six-year planning period

166. Table 2 below shows the effect of the growth at 2.2% on the Programme of Work for the three biennia of the planning period. The allocation of resources in the first biennium is a firm proposal backed by detail in Part II, including boxes describing the priorities which would benefit from additional resources under real growth in 2006-07. However, for the second and third biennia, the ZRG data is tentative for the reasons stated above concerning unprogrammed resources and the real growth allocations which are indicative amounts at programme level.

167. Hence this table should be seen as pointing to key directions and not to specific entity level planning decisions.

Table 2: Medium Term Plan 2006-11 Programme of Work

	Budgetary Chapter/Major Programme	2006-07	2008-09	2010-11
MP 1.1	Governing Bodies	19,598	20,598	20,598
MP 1.2	Policy, Direction and Planning	28,236	29,736	29,736
MP 1.3	External Coordination and Liaison	22,390	22,390	22,390
CH 1	General Policy and Direction	70,224	72,724	72,724
MP 2.1	Agricultural Production and Support Systems	107,127	111,677	116,577
MP 2.2	Food and Agriculture Policy and Development	104,147	107,747	111,347
MP 2.3	Fisheries	48,223	50,023	51,823
MP 2.4	Forestry	36,774	38,174	39,574
MP 2.5	Contributions to Sustainable Development and Special Programme Thrusts	59,276	61,776	64,276
CH 2	Technical and Economic Programmes	355,547	369,397	383,597
MP 3.1	Policy Assistance	31,053	32,453	33,853
MP 3.2	Support to Investment	60,002	62,002	64,002
MP 3.3	Field Operations	23,146	23,646	23,646
MP 3.4	FAO Representatives	84,047	85,847	87,647
MP 3.5	Cooperation with External Partners	14,800	15,550	15,550
MP 3.9	Programme Management	2,288	2,288	2,288
CH 3	Cooperation and Partnerships	215,336	221,786	226,986
MP 4.1	Technical Cooperation Programme	102,645	112,145	127,645
MP 4.2	TCP Unit	4,482	4,582	4,682
CH 4	Technical Cooperation Programme	107,127	116,727	132,327
MP 5.1	Information and Publications Support	18,064	19,064	20,064
MP 5.2	Administration	50,102	51,102	51,102
CH 5	Support Services	68,166	70,166	71,166
CH 6	Common Services	52,486	52,486	52,486
CH 7	Contingencies	600	600	600
	Programme of Work	869,486	903,886	939,886
	Income	(97,486)	(97,486)	(97,486)
	Appropriation	772,000	806,400	842,400

168. The proposal over the six-year period can be summarized as follows:

- it involves a 2.2% increase p.a. which amounts to just over 12% from 2004-05 to 2010-11;
- technical programmes run at the average growth of 12% and maintain their share of the total;
- an increase of the share for TCP as a proportion of the total to 15.7% - still falling short of the 17% target as per Resolution 9/89 - representing a 28% increase in resources from 2004-05 to 2010-11; and
- non-technical programmes would fall in their share of the total by varying amounts.

169. Whereas the six-year plan outlined above is tentative and indicative in nature, the Real Growth proposals for 2006-07 are quite specific and demonstrate a particularly focussed approach. The following table shows the impact of the RG proposals on the Regular Budget Appropriation for the first biennium of the Plan, compared to ZRG levels, based on the approved (revised) PWB for 2004-05.

Table 3: Comparison of Medium Term Plan's first biennium (2006-07) with the Programme of Work and Budget 2004-05 Appropriation

Budgetary Chapter/Major Programme	Appropriation		Variance	
	PWB 2004-05	MTP First Biennium 2006-07	US\$ 000	Percentage of Change
MP 1.1 Governing Bodies	19,598	19,598	0	0.0%
MP 1.2 Policy, Direction and Planning	26,136	26,136	0	0.0%
MP 1.3 External Coordination and Liaison	21,621	21,621	0	0.0%
CH 1 General Policy and Direction	67,355	67,355	0	0.0%
MP 2.1 Agricultural Production and Support Systems	99,946	104,146	4,200	4.2%
MP 2.2 Food and Agriculture Policy and Development	98,269	101,869	3,600	3.7%
MP 2.3 Fisheries	45,049	46,849	1,800	4.0%
MP 2.4 Forestry	34,677	36,077	1,400	4.0%
MP 2.5 Contributions to Sustainable Development and Special Programme Thrusts	51,194	53,094	1,900	3.7%
CH 2 Technical and Economic Programmes	329,135	342,035	12,900	3.9%
MP 3.1 Policy Assistance	28,792	30,192	1,400	4.9%
MP 3.2 Support to Investment	25,474	26,474	1,000	3.9%
MP 3.3 Field Operations	4,106	4,106	0	0.0%
MP 3.4 FAO Representatives	70,414	72,214	1,800	2.6%
MP 3.5 Cooperation with External Partners	9,845	9,845	0	0.0%
MP 3.9 Programme Management	2,141	2,141	0	0.0%
CH 3 Cooperation and Partnerships	140,772	144,972	4,200	3.0%
MP 4.1 Technical Cooperation Programme	98,645	102,645	4,000	4.1%
MP 4.2 TCP Unit	4,382	4,482	100	2.3%
CH 4 Technical Cooperation Programme	103,027	107,127	4,100	4.0%
MP 5.1 Information and Publications Support	18,064	18,064	0	0.0%
MP 5.2 Administration	41,351	43,049	1,700	4.1%
CH 5 Support Services	59,415	61,115	1,700	2.9%
CH 6 Common Services	48,794	48,794	0	0.0%
CH 7 Contingencies	600	600	0	0.0%
Appropriation	749,100	772,000	22,900	3.1%

170. The implications of the real growth increases shown in the preceding Table 3 are described in Part II through “boxes” placed in the appropriate narratives, while the tables in the same Part II show separately the amounts of additional resources over the ZRG levels.

171. A summary of these implications is provided below.

172. **Major Programme 2.1.** Additional resources would be applied to:

- strengthening the implementation of the International Treaty on PGFRA, advancing work on the supporting components, as listed in Part V of the Treaty, including technical support to the Global Crop Diversity Trust (an element of the funding strategy) and assistance to countries in assessing and building national plant breeding and biotechnology capacity and in implementing the Biosafety Protocol;
- support to countries in the adoption of good agricultural practices (GAP) and in responding effectively to private sector GAP initiatives;
- networks dealing with on-farm water control techniques and integrated resources management; guidelines on irrigation system modernization, management and scheduling; and policy and institutional support for water management, including transboundary water resources and watershed contexts, with focus on ecosystem services;
- the implementation of the IPPC, especially to work closely with the Convention on Biological Diversity in relation to invasive alien species, and for the development of specific standards and technical support to developing countries;

- the analysis of environmental risks related to intensification and geographic concentration of livestock production, and measures for management and risk communication; an effective early warning system for TADs (Transboundary Animal Diseases); and decision support tools for livestock policy formulation;
 - support to countries in the areas of: marketing, finance and mechanization services; enhanced market access to regional and international markets; and competitive development of agro-industries and commercial farming; and
 - urgent needs for national action and regional cooperation to better characterize indigenous breeds, assess their genetic diversity and performance and, subsequently, identify genes in relation to specific traits and use biotechnologies for targeted conservation and improvement (under the joint FAO/IAEA division).
173. **Major Programme 2.2.** A Real Growth budget would allow to:
- enhance national capacities in gathering and analyzing data (e.g. dietary assessment data) as well as issue guidelines on the effective use of FIVIMS information (e.g. in national planning and monitoring);
 - strengthen expertise to deal with the safety assessment of foods derived from biotechnology and related technical assistance work;
 - further improve the working and dissemination systems of FAOSTAT, including expanding outreach of CountryStat, coupled with improved WAICENT access tools;
 - redress the problem of chronic under-funding from which the GIEWS has been suffering regarding the growing demand for field missions; and
 - further analytical work on measuring the economic cost of hunger and related empirical studies; more thorough assessment of the role of non-farm income in rural poverty reduction; and support of the implementation of multilateral environmental agreements.
174. **Major Programme 2.3.** The additional allocation under RG would benefit:
- support to the Strategy for Improving Information on Status and Trends of Capture Fisheries (Strategy-STF), including agreements for information exchange, dissemination of tools and procedures, and national capacity building;
 - the development of Geographical Information Systems (GIS) and related capacity building, to meet the more complex information demands stemming from the shift to an ecosystem approach to fisheries and aquaculture;
 - capacity building for small-scale fisheries development and support to national fisheries administrations and industry in the application of Hazard Analysis Critical Control Point (HACCP) and risk-based systems; and
 - the formulation of guidelines for the use of subsidies in fisheries development and lists of various types of fisheries subsidies that are capacity-enhancing.
175. **Major Programme 2.4.** Under Real Growth conditions, it would be possible to:
- support countries in translating agreed concepts of sustainable management of forests into action on the ground and sharing the experiences more widely among stakeholders;
 - expand advice on the sequestration of carbon and other carbon mechanisms linked to climate change;
 - enhance the conceptual basis for the major perspective study of forests and forestry for the 2030 horizon;
 - further economic analysis of forestry development in countries in transition, including approaches to enhance economic benefits from forests and support to capacity building;
 - promote reduction of carbon emissions during harvesting operations, in particular by analyzing the impact of harvesting techniques; and
 - enhance national policy frameworks and institutional arrangements for increased participation of civil society in forestry development, including forest law compliance and transparency in the management of public forests at country level.

176. **Major Programme 2.5.** For the programmes of the SD department, the additional resources would be concentrated on two areas: HIV/AIDS and sustainable agriculture and rural development (SARD). More precisely:

- to pursue analytical work in order to generate more reliable quantitative and qualitative evidence of the linkages between HIV/AIDS and food security and rural livelihood strategies, coupled with dissemination of training materials, methodologies and approaches; and
- to launch an expanded training initiative related to policies and best practices for SARD, aimed at governmental decision makers in countries.

177. In respect of the SPFS (Programme 2.5.6) the increased resources would enable FAO to formulate additional South-South Cooperation components of SPFS projects, and augment the capacity of the Regular Budget provision to fund project activities at country level.

178. **Programme 3.1.2.** The increase would respond to the concerns expressed by the Programme Committee regarding the reduction in capacities of the outposted TCA teams in the regions. Subject to funding from possible efficiency savings in 2004-05, cancelled staff positions would be reinstated, facilitating policy services in such regions or sub-regions as Africa (NEPAD), Central Asia and the small island states of the Pacific.

179. **Programme 3.2.2.** The Real Growth resources would allow the TCI division to restore the level of activity of the Investment Support Programme (ISP), so that it could better match anticipated demands from partner IFIs. Priority would be given to collaboration with the International Fund for Agricultural Development (IFAD), the African Development Bank (AfDB) and the World Food Programme (WFP).

180. **Major Programme 3.4.** The additional funds would offset at least in part the severe net reduction of US\$ 5.2 million for the biennium 2004-05, restoring responsiveness and capacity for service delivery by FAO Representations at a more sustainable level (e.g. participation in UN Country Team activities such as CCA/UNDAF, country-level support to normative programmes, and advocacy and outreach work).

181. **Chapter 4.** The RG net increase would augment the capacity of the TCP Appropriation to meet requests from countries, and increase its share of the total budget by 2% to 15.7%; that is, somewhat closer to the sought-after figure of 17%. A small increase would also be made for TCOT, the unit which supports implementation of the TCP.

182. **Major Programme 5.2.** The Real Growth level would permit meeting the concerns expressed by the Finance Committee in two areas:

- subject to funding from possible efficiency savings in 2004-05, the reinstatement of five GS positions which had to be abolished in the biennium 2004-05 in AFF, thus ensuring the minimum staff complement originally recommended by independent management consultants; and
- the accelerated implementation of planned HR measures, including: (i) managerial competencies and a complementary development plan; (ii) recruitment from under-represented countries (ref. FC 107/16); and (iii) a performance management system linked to the Organization's programme planning regime.

Priority setting criteria analysis

183. The criteria for priority setting endorsed in the Strategic Framework fall into two categories:

- Those which can help determine the relative priority of a given entity in relation to others:
 - relevance to the Strategic Framework;
 - clear focus on Members' expressed priorities; and
 - embodiment of FAO's comparative advantage.

- Those which more particularly address the quality of the design of the programme entity:
 - demonstrable means-ends causal links;
 - clear indicators of quality and utility;
 - cost efficiency; and
 - likelihood of success and sustainability of results.

184. It may be noted that all entities were scored during the preparation of the Medium Term Plan 2004-09 against the above seven criteria, as are all new entities during their formulation. While good scores against the design criteria are obviously important for all new activities, the first three criteria are clearly more relevant to informing the process of allocating additional resources. Therefore, FAO units were asked again to score all entities expected to be active in 2006-07 in relation to these three criteria. Some refinement was also made in the supportive methodology (i.e. the structure of the subsidiary questions and the multiple choice answers to reach scores).

185. The “scores” attributed to individual entities are derived from responses to one or multiple sets of questions linked to each of the three criteria.

First Criterion: Conformity to the Organization’s mandate and relevance to the strategic objectives of the Organization

For each entity being examined the responsible manager must choose between (in growing order of weights):

- cutting across several strategic objectives;
- focussed on a few strategic objectives; and
- clearly focussed on a single strategic objective.

Note: In reviewing the application of the last possible answer (i.e. *clearly focussed on a single strategic objective*), it was recognized that it could not be applied too literally; that is, there were occasions when the common sense answer was that the entity clearly conformed to the mandate and was entirely relevant to the Strategic Objectives of the Organization but that it did serve more than one Strategic Objective.

Second Criterion: Expressed priority and usefulness to a broad section of the Membership or to special groups identified by the Governing Bodies

Respondents must assess the potential benefits of the given entity to two groups:

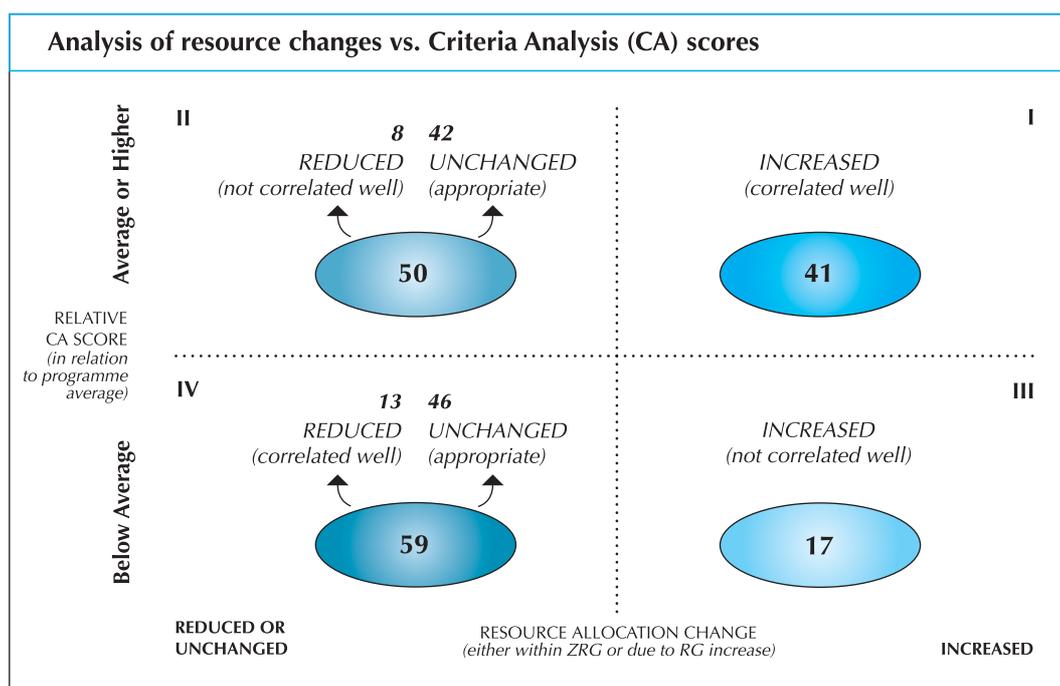
- Members without distinction of development status or degree of vulnerability, i.e. having to classify beneficiaries in terms of a few individual Members, a sub-region or equivalent, a whole region or equivalent, or a very broad section of the membership; and
- special (i.e. vulnerable) groups identified by the Governing Bodies, e.g. least developed countries, the small island developing states, choosing between various degrees of relevance, up to entities deliberately targeted at a specific vulnerable group.

Third Criterion: FAO's comparative advantage

The assessment needs to cover three important dimensions of comparative advantage for any organization:

- potential for synergies through collaboration with partners and avoidance of duplication with the work of other institutions, having to specify whether:
 - FAO is the sole significant player in the area covered by the entity,
 - FAO is regarded as a leader in this area,
 - partners look to FAO for a significant contribution,
 - other institutions may be sharing the ground with FAO on a par, and
 - FAO may be facing strong competition with other, further advanced or leading development partners;
- track record, whereby the corresponding score depends on the length of proven track record of achievements of FAO and/or its established role as repository of information; and
- need for neutrality and global outreach, whereby the corresponding score depends on the importance of these factors – which are of the essence of a multilateral institution – in the success of the entity.

186. The following chart contains four quadrants, marked I to IV, in order to illustrate how the process of allocation of additional resources correlates with the scores obtained by individual entities.



187. Therefore, out of a total population of 167 entities, 142 or 85% correlate appropriately. Only 25 – marked as “not correlated well” – do not evidence a close degree of correlation between the relative score they received (set against the average score in the programme to which each entity belongs) and changes in resource allocations. More precisely, 17 of these entities fall in Quadrant III, i.e. have increased allocations in the first biennium of the Plan (either under ZRG or RG conditions) over those in the approved (revised) PWB 2004-05, despite the fact that they do not enjoy a higher than average score in their respective programme. Another 8 entities shown in Quadrant I enjoy a higher than average score but have, nevertheless, received reduced resources (“reduced” was defined

as at least 3% less than the original allocation, to make the analysis meaningful by eliminating changes of insignificant magnitude).

188. It must be emphasized that by definition all of the 167 entities embody a significant degree of interest and priority for the entire Membership or sizeable groups of Members; otherwise they would simply not have been included in the MTP or PWB. Some areas of activity – even if deemed of highest priority – may not necessarily require additional allocations under the Regular Budget, either because they may be buttressed by substantial extra-budgetary support or because they may be adequately resourced already in the light of their stated objectives. The reverse may also be true, i.e. an area of activity may not enjoy the same degree of priority as some others, but may still require a higher allocation, either because it may have suffered excessively from previous cuts, or because it may have experienced a continuing problem of under-funding which must be corrected for the entity to be really effective. Particularly in the light of these caveats, the fact that for 142 of the above total of 167 entities, a positive correlation exists between the decisions by the concerned units on their allocations of resources and the relative scores they enjoy within their respective programmes is a positive result.

189. As a matter of illustration, entities falling in **Quadrant I** include those under Major Programme 2.1. which deal with the Implementation of the International Treaty on PGRFA, the IPPC, integrated land and water management and sustainable provision for agricultural services, all areas highlighted above as benefiting from targeted Real Growth increases. In similar vein, entities in **Quadrant I** also cover FIVIMS, FAOSTAT, other work on statistical enhancement, WAICENT and the GIEWS, i.e. important activities under Major Programme 2.2. which have received additional resources under RG conditions. Other examples can be given for the other Major Programmes within Chapter 2 of the PWB, including entities dealing with fisheries information, capacity-building in forestry, HIV/AIDS, and support to the implementation the SPFS.

190. At the other end of the spectrum in **Quadrant IV**, examples of entities which evidenced both reduced resources and a somewhat relative lower priority ranking than other entities in the same programme, are those covering IPTRID (International Programme for Technology and Research in Irrigation and Drainage) on account of continued reliance on partnerships, AGS support to capacity-building for post-production enterprises or to work on food chains, as well as ESC's work on market assessments for various commodities. While these areas are of clear importance, for example, to the many countries experiencing problems in the post-harvest sectors or those which are major traders in the affected commodities, it is because choices have to be made among conflicting priorities and that increased resources cannot be simply distributed "across-the-board".

191. As regards the above-mentioned 25 cases of apparent lack of correlation between decisions on resource allocations and relative ranking based on criteria analysis (i.e. those falling in both **Quadrants II** and **III**), there are explanations for each case. Some changes in resources may be the consequence of restructuring within programmes or of more accurate allocation of staff resources across activities. Others may not correlate for the sorts of reasons stated above.

192. In conclusion, the Director-General has sought to ensure that this document reflects, as far as possible within the constraints of the resource assumptions made, appropriate priorities in line with the Organization's mandate and Strategic Framework, the expressed needs of Members and FAO's comparative advantage. This section will have hopefully demonstrated that the differential criteria scores assigned by units to their entities correlate well to the resources allocated.