

Report of the

ELEVENTH FAO REGIONAL CONFERENCE FOR ASIA AND THE FAR EAST

New Delhi, India, 17-27 October 1972



FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Date and place of FAO Regional Conferences for Asia and the Far East

First	—	Bangalore, India, 27 July-5 August 1953
Second	—	Kandy, Ceylon, 20-25 June 1955
Third	—	Banding, Indonesia, 8-18 October 1956
Fourth	—	Tokyo, Japan, 6-16 October 1958
Fifth	—	Saigon, Viet-Nam, 21-30 November 1960
Sixth	—	Kuala Lumpur, Malaysia, 15-29 September 1962
Seventh	—	Manila, The Philippines, 7-21 November 1964
Eighth	—	Seoul, Korea, 15-24 September 1966
Ninth	—	Bangkok, Thailand, 4-15 November 1968
Tenth	—	Canberra, Australia, 27 August-8 September 1970
Eleventh	—	New Delhi, India, 17-27 October 1972

R E P O R T
of the
ELEVENTH FAO REGIONAL CONFERENCE
for
ASIA AND THE FAR EAST

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Rome, 1973

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INTRODUCTION

1. The Eleventh FAO Regional Conference for Asia and the Far East was held in New Delhi, India from 17-27 October, 1972. Member Governments participating were:

Australia	Laos
Burma	Malaysia
Fiji	Nepal
France	New Zealand
India	Philippines
Indonesia	Sri Lanka
Japan	Thailand
Khmer Republic	United States of America
Korea, Republic of	Vietnam, Republic of

2. The United Nations system was represented as follows:

United Nations
United Nations Economic Commission for Asia and the Far East
United Nations Development Programme
United Nations High Commission for Refugees
World Food Programme
International Labour Organization
United Nations Educational, Scientific and Cultural Organization
World Health Organization
International Bank for Reconstruction and Development
United Nations Children's Fund

and the following were represented by Observers:

United Kingdom
Holy See
Bangladesh
Afro-Asian Rural Reconstruction Organization
Asian Productivity Organization
Council for Technical Co-operation in South and Southeast Asia (Colombo Plan)
International Conference of Catholic Charities
International Co-operative Alliance
World Veterans Federation.

3. A full list of participants is contained in Appendix C of this report, and a list of documents is included in Appendix B.

4. At the Inaugural Ceremony at Vigyan Bhavan, New Delhi, Dr. A.H. Boerma, Director-General of FAO, called to order the Eleventh FAO Regional Conference. He welcomed His Excellency President V.V. Giri, to the Inauguration and expressed his sincere gratitude and deep appreciation to the Government of India for the warm hospitality and courtesies to FAO and the Member Governments. He then requested His Excellency Mr. Fakhruddin Ali Ahmed, Minister of Agriculture, Government of India, to address the Conference.

5. In his welcome statement His Excellency Mr. Fakhruddin Ali Ahmed referred to the widely appreciated efforts of the FAO in arousing the conscience of the world to the horror of hunger by undertaking the Freedom From Hunger Campaign and developing the perspective for world planning for agricultural development and commended the energetic efforts which were being made by the present Director-General, Dr. A.H. Boerma, in the achievement of the objectives of the Organization. Referring to India's progress since Independence in 1947,

the Minister stated that industrial production had trebled; national income had doubled; agriculture production had risen by 80 per cent; and foodgrains imports which had risen to a peak level of 10.4 million tonnes in 1966, had practically stopped. In spite of the substantial progress, however, there was no scope for relaxing efforts. Due to rapid increases in population, hunger and malnutrition still prevailed in many parts.

6. Deploing the colossal disparities in the economic strength and resources of the rich and the poor countries, the Minister said that the share of the developing countries of Asia in the world trade in agricultural commodities on which their economies generally rested, had come down from 15.6 per cent to 10.3 per cent. This had nullified, in part, their efforts to improve their lot. He expressed the hope that institutional developments at the international level would help to improve the situation.

7. Giving his inaugural address, His Excellency Mr. V.V. Giri, the President of India, said that FAO's basic objective of raising levels of nutrition and standards of living and contributing towards an expanding world economy and ensuring humanity freedom from hunger had made it an important partner in the struggle of the developing nations striving to overcome the legacy of long periods of neglect of economic and social progress. He referred to the efforts and the substantial progress made in recent years in agricultural production and FAO's assistance in this regard, but added that none could view the situation with equanimity. Countless human beings in this part of the world were still living under the shadow of starvation from birth to death. With large masses of new generations becoming familiar with the prosperity enjoyed by other peoples, a strong ferment was arising from growing expectations on the one hand and absence of opportunities for the rapidly increasing number of young men and women seeking employment on the other. These problems constituted a serious challenge to governments of developing countries, to the United Nations and its Specialized Agencies and to the human conscience. Though there was some wavering and weakening of faith and enthusiasm in certain quarters, the President expressed his firm faith that concern for the acute poverty of the people of developing countries was deeply embedded in the conscience of enlightened people of developed countries.

8. Continuing the President said that a large number of countries of the Region was closely dependent on trade in agricultural commodities and the problems and difficulties faced by them due to the shrinkage or inadequate expansion of markets, deterioration in terms of trade and low rates of growth in foreign exchange earnings were of utmost importance. The deliberations of the Conference should help to find ways and means of meeting these problems. The President concluded that many countries in the Region were striving to deal with similar problems, and India would be happy to benefit from the experience of other countries, as it would be glad to share its own experiences with others.

9. Proposing a vote of thanks, Mr. T.P. Singh, Secretary, Ministry of Agriculture, Government of India, expressed his deep gratitude to the President of India for inaugurating the Conference and for his illuminating address and thought-provoking ideas that should serve as guidelines in the deliberations of the Conference. In extending welcome to the delegates, representatives and observers, he said that the Conference would provide a forum for exchange of experiences and views on several issues having a close bearing on agricultural production and trade in the Region and should throw up practical suggestions for increasing production, expanding trade and improving the lot of the rural poor.

10. At the first working session of the Conference, the leader of the Indian Delegation, His Excellency Mr. Fakhruddin Ali Ahmed, the Minister for Agriculture, was unanimously elected Chairman. The Conference also nominated all heads of delegations as Vice-Chairmen.

11. The Chairman expressed his thanks for the honour done to him in electing him to the Chair and called for Conference consideration of the Agenda (reproduced in Appendix A). The Agenda was adopted unanimously. The Chairman then invited the Director-General to make his Introductory Statement.

DIRECTOR-GENERAL'S STATEMENT

12. The statement of the Director-General provided the world setting for the consideration of the food and agriculture problems, programmes and policies of the Region. The Director-General, Dr. A.H. Boerma, referred to the trends in agricultural production, the action taken by FAO to promote research, the need of International Agricultural Adjustments, the social issues in the context of increased agricultural production, FAO's concern with environmental issues, the Country Perspective Studies, some organizational issues, and the Medium-Term Planning.

Agricultural Production in the Developing World

13. From the three per cent increase recorded in 1970, the preliminary figures for 1971 unfortunately showed a sharp drop. For the developing world as a whole, the increase seemed to have been only between one and two per cent. For the developing countries of this Region, the best estimate that could be arrived at was an increase of about two per cent. This was largely due to adverse weather conditions - drought and floods - and to political disturbances such as those which took place in and around what is now Bangladesh. Nevertheless, the overall increase of two per cent in this Region was disappointing when compared with the Second Development Decade target of four per cent average annual growth. The Director-General stressed that the developing countries must achieve this target in agricultural production. For, if they fell behind this target, they would fall behind the average annual growth rate of at least six per cent in their gross product as called for in the International Strategy for the Second Development Decade. In most developing countries, the agricultural sector was the largest one. If they failed to expand it fast enough, they were thereby reducing their best hope of breaking the general bonds of poverty.

14. The Director-General then referred to the world cereal situation and said that the world was now going through a period of sudden and substantial change. As a result of purchases of large quantities of grains by the Soviet Union from the United States and some other countries and other factors, stocks of grain in the major producing countries in the developed world were coming down to a lower level than had been the case for a number of years. However, the stocks in the major producing countries were still large enough to take care of any crisis that could be envisaged at present. Nevertheless, the developing countries of this Region must take note of it and devise their strategy accordingly. In this context, he referred to the example of India which had built up a reserve grain stock of no less than nine million tons, and urged on all developing countries of the Region the wisdom of continuing and intensifying policies for building up stocks in years of plenty as part of their general drive to increase agricultural production.

Research

15. The Director-General laid stress on research as a vital factor in the growth of agriculture. He referred to the Consultative Group on Agricultural Research established last year, in which FAO co-operated with several major donor countries, private foundations, the World Bank and the UNDP, and said that a systematic review of research needs in the developing world had been undertaken with a view to identifying priorities for action. This had already led to the setting up or expansion of certain research centres or programmes in different parts of the world, such as the International Crops Research Institute for the Semi-Arid Tropics at Hyderabad in India, the agreement for which was signed last July. Another enterprise, with different and more general objectives, that was being supported by members of the Group was the Computerized Agricultural Research Information System (CARIS) that had been devised by FAO to provide both national and international research workers with up-to-date knowledge of what was going on in

agricultural research programmes elsewhere. FAO had also been active in promoting the creation of an international Information System for the Agricultural Sciences and Technology (AGRIS), a co-operative effort involving all Member States, which would considerably improve the dissemination of scientific and technical knowledge in agriculture and related fields. However, he added, FAO was fully aware that modern technology was mostly capital-intensive and, therefore, partly unsuited to the requirements of developing countries with abundant labour. This was something which, though seemingly evident, still needed to be more widely appreciated.

International Agricultural Adjustments

16. Turning to economic matters, the Director-General said that poverty in the developing world meant insufficient internal demand for agricultural production. This, coupled with restricted opportunities for trade in outside markets constituted a drag on the spirit of enterprise of farmers in developing countries. Reporting on discussions in this regard in UNCTAD III he regretted the reluctance on the part of developed countries to give practical effect to some of the commitments they had earlier subscribed to in the International Strategy for the Second Development Decade. The 1973 Conference, he said, would be taking a preliminary stock of the situation. He referred to FAO preparatory studies on international agricultural adjustments which showed that if agricultural self-sufficiency ratios of the developed countries were reduced by as little as two per cent there could be an increase of about \$ 4 billion worth of agricultural exports a year from the developing world. He stressed the great potentialities of serious analytical work on agricultural adjustments for finding possible solution to the problems confronting world agriculture and for identifying objectives and guidelines for negotiations in GATT or UNCTAD.

Social Issues

17. The Director-General then referred to the social aspects of agricultural growth and rural development which were at the very centre of FAO's pre-occupations at the time. The Green Revolution, he said, had tended to benefit large scale farmers rather than poorer ones. This emphasized the need for technical innovations to be accompanied by measures of social improvement. He drew attention to the discussions at the last FAO Conference on the Report of the Special Committee on Agrarian Reform and the kind of measures that were needed to bring about a better social balance in the rural areas such as security of tenure; fair rents; the effective application of limitations on the size of large estates; a decent minimum level of farm wages; rural credit services for those who need them most; improved extension services; and a very much stronger drive to tackle rural unemployment, notably through public works programmes. He expressed his appreciation of the efforts being made in this regard in several countries, and especially of the crash programmes adopted in India for rural employment. Initiatives such as these, he said, would be increasingly necessary in developing countries in the course of the 1970's since there was every likelihood that their rural social problems were going to intensify for sometime to come.

18. Referring to uncontrolled population growth in Asia, he emphasized the urgent need for population control and said that there was much to be learnt from the experience of the People's Republic of China where population growth rate had been brought down to 1.5 per cent by 1964 and possibly to 1.2 per cent now.

Environment

19. The Director-General then referred to environmental problems which were always of major concern to FAO, and said that the United Nations Conference in Stockholm had given a new impetus to the world's search for solutions to the grave threats involved.

20. The dilemma which arises from the full and proper use of modern technology in increasing the food production of developing countries and the need to meet the threat to soil and the seas which increased production entailed, was going to have considerable repercussions on some of FAO's programmes. Much of the work to be done in pursuance of the Action adopted at the Stockholm Conference would require the active participation of regional bodies assisted by FAO's Regional Offices.

Country Perspective Studies

21. The Director-General stressed the need of strengthening partnership between the developing countries and FAO. He said that FAO was undertaking country perspective studies so that its activities would be closely related to Member Countries' national policies and planning in the agricultural sector. The Governments would be fully consulted in the preparation of these studies.

Financial Crisis

22. Referring to the looming financial crisis, the Director-General said that there was a deficit of about \$7 million on the budget for the biennium of \$86 million as voted by the Conference, which arose primarily from recent changes in currency rates and the acceleration of general inflationary pressures (it could increase by another \$5 million if full contribution by the present biennium were not available from USA). This situation had compelled the imposition of 10 per cent cut to Headquarters divisions and Regional Offices, which might mean a reduction in some programmes. FAO was engaged in re-assessing its priorities, so that the Organization might respond to the challenges of the future in a realistic and adaptable manner and, when necessity arose, make savings in a more logical way by reducing activities in programmes of lower priority.

Regional Offices

23. The Director-General then referred to the proposals under consideration for a clearer definition of the role of Regional Offices in the context of priority programmes, in order to delineate their responsibilities vis-à-vis those of Headquarters and of Country Offices. He was of the view that their role should be strengthened in the Organization's policy and programme formulation. He also stressed the increasing influence of the Regional Conferences in the selection of the Organization's priorities and formulation of its programmes, and the Regional Conferences would require the support of Regional Offices to assist in analysing the definitions of problems and problem areas. He felt that the Regional Offices should be strengthened to fulfil this function with high professional competence, but that they should correspondingly give less emphasis than in the past to direct technical assistance activities. This would imply a revision in the structure of the Regional Offices. He requested the Regional Conference for its views which would help him to come to decisions that would best reflect their interests. The Director-General then referred to some of the changes which were being put into effect at Headquarters as a consequence of review of priorities, the establishment of a new Policy Analysis Division in the Economic and Social Department (renamed as Economic and Social Policy Department), the strengthening of the Rural Institutions Division (renamed as Human Resources and Institutions Division) and the establishment of a Field Programme Review Board.

Medium-Term Plan

24. Referring to the Organization's basic strategy within which its priorities were determined, Dr. Boerma said that it was still the Areas of Concentration - he preferred to call them Areas of Emphasis. Examples of these priorities were the need for much greater agricultural research in developing countries, international agricultural adjustment, the whole range of social problems affecting rural development and the question of the environment. It was on the basis of these priorities that FAO was building up its

short-term plans -- in the Programme of Work and Budget -- and also the longer-range policy -- in the Medium-Term Plan. The present Medium-Term Plan, covering the years 1972-1977, had received the general approval of the FAO Conference last November. The FAO Conference had referred the matter of relative priorities to be attached to the various programmes and sub-programmes set forth in the Plan to the Committees of the Council, which were to come up with recommendations to be presented to the Regional Conferences. However, the whole procedure had been overtaken by the gathering financial storm. In the circumstances, the Director-General concluded, it would be best for the Regional Conference to work on the basis of the paper that had been prepared by the Regional Office on proposals for the Medium-Term Plan and related activities, together with the new overall approaches he had mentioned earlier, and bearing in mind also what he had said about the way in which he felt the Regional Offices should be strengthened. The definition of priority problems in the Region by the countries themselves could have an important influence on the revision of the Regional Office Structure.

STATEMENT BY THE ASSISTANT DIRECTOR-GENERAL/REGIONAL REPRESENTATIVE

25. Dr. D.L. Umali introduced his statement by drawing attention to the emerging realities in the world at large and in the Asia and the Far East Region in particular, viz.:

- (1) The developing Member Countries of the Region are now striving hard towards national identity and regionally oriented development, and adopting economic diversification and industrialization as their goals;
- (2) China's accession to the United Nations and the likelihood that it will henceforth play an active role in the affairs of the Region;
- (3) The magnitude of the aid and technical assistance required by the war-damaged countries of Southeast Asia at the end of hostilities, especially in the rehabilitation of demobilized soldiers;
- (4) The need to pay special attention to the least developed among the developing countries of the Region;
- (5) The worsening land shortage in the Region, manifested by a man-land ratio of only about one-third hectare of arable land;
- (6) The growing awareness of the critical need for agrarian reform in the Member Countries of the Region aggravated by the consistently swelling rural labour force resulting in the alarming high incidence of rural unemployment and underemployment; the widening inequalities in the distribution of national wealth, particularly of land and production income; the growing poverty despite the advent of the Green Revolution; the uncontrolled population drift towards urban centres, and the revolution of rising hopes and expectation among the rural population;
- (7) The problem of rescue, relief and rehabilitation of millions suffering from misery, privation and want due to catastrophes imposed by nature -- typhoons, floods, droughts, earthquakes and widespread disease and pest infestations;
- (8) The continuing plight of countless millions suffering from malnutrition and under-nourishment largely due to the maldistribution of purchasing power and availability of health services than of the actual supply of food;

- (9) The unexpected problem relating to pest and disease control in plants and livestock attendant on the Green Revolution triggered off by the drastic changes in the ecological system giving rise to radical shifts in the composition and intensity of the endemic pest population, and the attendant heavy usages of pesticides and herbicides having induced toxicity to man, domestic animals, fish and wildlife in rather alarming proportions;
- (10) The growing unfavourable imbalance between agricultural exports and agricultural imports of this Region, which have incurred significant decreases compared to those of the other developing regions.

26. Dr. Umali invited attention to the fact that while Asian agriculture was now in the throes of the Green Revolution and although it had not solved the food problems of this Region, it had, however, radically changed the background against which agricultural development in the Seventies, could be examined and noted that the Member Countries in the Region desired a type of development with a humane focus, one with a broader perspective based on social justice, self-reliance and economic growth, and one that would enhance human dignity and happiness.

27. Dr. Umali suggested that the Region should chart its own suitable pattern of development and set up its own applicable criteria for evaluating the validity of such a pattern. He then proceeded to outline an agricultural development programme aimed at the creation of more employment opportunities, equitable distribution of resources, the reduction of malnutrition and protection of environment and conservation of natural resources. The programme included determination of priorities by the countries of this Region, attaining stability in production, judicious use of pesticides, controlling the population growth, reforming the agricultural education system, judicious consumption, the extension of the Green Revolution, effective agrarian reforms, realistic industrialization and use of appropriate technology suited to needs of Asia with abundance of labour. Dr. Umali said that the countries of Asia and the Far East must determine their own priorities and strategy for development consistent with the economic, social and political factors. Adopting techniques of developed countries without examining them critically was neither suitable nor desirable. This called for numerous practical and perhaps painful decisions so that the programmes of primary importance were not overlooked. External capital and know-how could never replace local initiative, he added.

28. Referring to the urgency for achieving stability in production, Dr. Umali said the countries of this Region suffered from serious setbacks in production due to various natural calamities. He underlined the need to establish buffer stocks of seeds, fertilizers and pesticides, a practical agricultural credit programme, and the strengthening of pest and disease surveillance programmes.

29. Referring to the need to adopt measures for limiting the population growth, Dr. Umali said that experience had indicated that any major breakthrough in birth rate was attained only after a substantial improvement in the economic situation had set in. The approach to malnutrition must form an integral part of the development process. To improve the nutritional standards of people, programmes aimed at effecting equitable distribution of purchasing power, self-sufficiency in food and the improvement of health services were essential.

30. Dr. Umali then referred to educational programmes and said that, "The needs, problems, and aspirations of the farming people are the only valid basis of education and training programme for rural people. Agricultural courses should be revised to make them truly responsive to the economic, sociological, cultural, legal and engineering needs of the rural sector." Greater emphasis should also be placed on the middle level type of training to develop skilled agricultural technicians whom he regarded as a very important element in a progressive farming structure.

31. Dr. Umali took a wider view of rural development and suggested the need for designing an overall development strategy which included education, peace and order, health and transportation in order to distribute equitably the benefit of economic and technological progress to the entire population.

32. Noting that the Green Revolution had generally failed to benefit the small farmers, the Assistant Director-General pointed out that the real purpose of the Green Revolution was to obtain increased production of quality food at lower prices and at the same time raising the income of the rural people. If the productivity on small farms had not increased, it was not the fault of the farm structure but of the policymakers and planners. In order to make the small farms viable, Dr. Umali suggested a more intensive training of extension workers, provision of needed infra-structural improvements like roads, transport facilities, storage, processing plants, etc. and the promotion of farmer's organizations in the villages. He also stressed the need to develop high-yielding crop varieties for the rainfed and upland areas.

33. Stressing the need for an agrarian reform programme, Dr. Umali said that it could only be effectively implemented when a determined political will prevail by strengthening the organization and management of land distribution, enacting the needed legislation to implement the programme, adequate attention to land records and supporting services and promoting farmers' organizations which were some of the essential steps. To ensure the participation of small farmers in development, he emphasized that they should be provided with credit and other necessary inputs which must be linked with extension and training.

34. As an Asian himself, he counselled that in the rush towards modernization, Asians must at least retain, if not enhance, the cultural, religious, social, ethical values and traditions of Asia. He suggested the development of "Growth Centres" in the rural areas, which were widely dispersed small-sized modern community units around factories scattered in the rural areas. This type of modernization would help the preservation of the traditional family unity, and foster healthy home life, more healthful surroundings and a retention of the human and other values and traditions that Asians cherish. A basic guideline in the process of development should be the utilization of labour-intensive technology and the utilization of locally available labour and raw materials, he said.

35. Dr. Umali felt that trade was unfavourable to the developing countries of the Region. In order to improve this unhealthy situation he suggested adjustments in the policies and programmes to strengthen the export promotion measures, crop diversification for export, international marketing arrangements and development of intra-regional trade. In this, regional co-operation among Member Countries could play a key role.

STATEMENT BY THE INDEPENDENT CHAIRMAN OF THE FAO COUNCIL

36. The Independent Chairman of the FAO Council, Mr. M.M. Cépède also attended the Regional Conference. In his statement before the Regional Conference he emphasized the importance of the Region due to its vast population, its difficult problems and the spectacular progress made by it during the last few years. Referring to the second generation problems of the Green Revolution, the Chairman stressed that the Green Revolution was indispensable and ought to be extended to other crops, particularly to leguminous crops, and to other regions. And if the Green Revolution is to be durable it must be accompanied by agrarian reform.

37. In regard to the objections to intensive farming on the grounds that it led to economic crisis through abundance or it exhausted soil or destroyed the environment through use of chemical fertilizers, pesticides, and herbicides, the Chairman said that any action must be based on priority considerations. In a situation where land was limited and labour plentiful, there was no alternative to intensive farming even if it meant less productivity per hour of human labour. It was indispensable for feeding increasing population and securing them gainful employment. The struggle against poverty and its sequels - sickness, ignorance and hunger ought to remain the first priority of FAO. The Chairman felt that International Conferences on human environment had lost much of their validity, especially in Asia which was faced with the most frightful of pollutions resulting from war.

38. Continuing, Mr. Cepede expressed the hope that the destructive conflict would soon end and suggested that FAO should take the initiative in co-operation with the United Nations, in reconstructing the economies devastated by war. The FAO Council, he said, had the power to call on the United Nations that the Secretary General of the United Nations and the Director-General of FAO should be charged with the mission of reconstructing agriculture in the countries affected by war as soon as peace returned. This ought to be prepared for in advance. He concluded that this Regional Conference was the most competent body to invite the FAO Council to assume its responsibilities and indicate to it the guidelines for necessary action.

COUNTRY STATEMENTS

39. Fifteen delegates from:-

Australia	Laos
Burma	Malaysia
Fiji	Nepal
India	New Zealand
Indonesia	Sri Lanka
Japan	Thailand
Khmer Republic	Vietnam, Republic of
Korea, Republic of	

presented country statements outlining the major developments and the current programmes and policies in regard to agriculture (including livestock) forestry and fisheries.

Trends in Agricultural Production

40. Though the available estimates indicated a somewhat slowing down of the rate of agricultural growth during 1971 for the Region as a whole - an increase of about two per cent over 1970 which was much lower than the four per cent annual increase recorded during the previous two years - several delegates reported considerable increases in their respective countries especially in the production of food grains. In India, wheat output had more than doubled during the quinquennium ending 1971-72. Progress had been made in rice production also though it was not yet as impressive. During the last three years or so several new varieties had been evolved and released for cultivation suited to various agro-climatic conditions. The Indian delegate expressed the hope that with the successful establishment of some of these varieties, sustained increases in rice production would be possible in coming years. He further reported that hybrid varieties of pearl millet (bajra) had generally given good account, but the hybrid varieties of maize and sorghum had not been favoured in large areas, mainly due to higher susceptibility to pests and diseases. The production of pulses (which are an important source of protein in the predominantly vegetarian diet of the people) had also been stagnant. The Government had intensified research efforts and also undertaken special schemes for the development of pulses on the basis of available knowledge of science and technology.

41. Indonesia reported that annual targets set out in the Plan had been continuously exceeded; rice production increased by 5 per cent during 1971 and by about 20 per cent above the level achieved during 1969. Korea reported a sustained average increase of 3.8 per cent in agricultural production between the period 1961 to 1970; the projected increase in food grains during 1971-76 was 26.8 per cent (an average increase of about 4 per cent). By then Korea would become self sufficient in rice and barley. In Malaysia, rice production increased by 6.9 per cent during 1971 (an increase contributed mainly by the off-season crop) and in the Republic of Vietnam, by 11 per cent.

42. India and Indonesia however reported serious droughts in the current year which would have adverse impact on the 1972 crops. India apprehended heavy losses in food grains production during the Kharif (monsoon) Season. A three pronged drive had, however, been launched involving measures for raising the productivity of existing Kharif crops through fertilizer application and plant protection, increased stress on cultivation of short-duration intermediate crops like pulses, and a massive programme for increasing production during the forthcoming winter/summer seasons comprising emergency schemes for minor irrigation, installation of deep and shallow tubewells, erection of diversionary dams and extension of wheat cultivation on an unprecedented scale on areas where Kharif had failed. There was confidence in the country and the Special Emergency Production Programmes were expected to make up the shortfall in production. In Indonesia also it was estimated that rice output for the year (1972) might eventually be only very insignificantly lower than the target.

43. As regards cash crops, India registered a record crop of cotton an increase of 45 per cent over the previous one and 14 per cent over the previous highest production of 1964-65. Some new high yielding varieties of cotton, especially Hybrid-4 variety had given an impressive performance. The prospects for 1972-73 were also quite good. The production of sugar cane and jute were, however, marked by fluctuations caused partly by variations in rainfall and partly by the price situation. So was the production of oil seeds, mainly because they were grown under rainfed conditions. In Thailand where the emphasis was on diversification of agricultural production the aim was to increase the growth of the agricultural sector by about 5 per cent annually with major emphasis on sugar cane, soyabean, cotton and maize. In Sri Lanka, the production of milk, sugar cane, soyabean and on the urgently required import substitution item such as chillies and onions was receiving priority attention. In the Republic of Vietnam large increases were registered in beans and peanuts.

44. In the sector of agricultural export commodities the major developments reported were:

(a) an upward trend in Indonesia in the production of major crops like rubber, oil palm, coffee and tea, a slight declining trend, in coconut, and a recovery in pepper which had suffered a considerable drop in 1969 due to a virus disease;

(b) the phenomenal increases in Malaysia in the output of palm oil and palm kernel by 37 per cent and 36 per cent respectively during 1971 and a substantial increase of 14 per cent in the output of copra, though pineapple dropped by 14 per cent;

(c) the emerging emphasis in Sri Lanka on diversification into a large range of "non-traditional" export crops such as cashew, natural silk, papain, oil palm, cocoa, pineapple and passion fruit; and

(d) a substantial increase of 12 per cent in the production of rubber in the Republic of Vietnam.

Contributing Factors for Increased Output

45. Substantial increases in the development of agricultural potential were reported by almost every delegate even where actual output fell short due to adverse climatic conditions or hostilities. The contributory factors for increased production potential were many and varied: the increased use of high yielding varieties; the rapid expansion in the use of chemical fertilizers, the control of pests and diseases; the extension of irrigation, better water management, and multiple cropping; expanded institutional arrangements for supply of input, extension and marketing; and measures of agrarian reform.

46. Among the contributing factors, the Indian delegation gave the highest priority to irrigation, especially groundwater development, and reported that about one million hectares of additional area were being brought under irrigation each year from ground water resources, in addition to one million hectares from surface water resources. A central ground water Board had been set up to co-ordinate systematic development, and exploratory surveys for ground water resources were being carried out both in alluvial soils as well as hard rock areas. Malaysia also emphasized improving and increasing irrigation and drainage facilities. Laos, Thailand and the Republic of Vietnam reported large investments on development of irrigation.

47. It was recognized, however, that even with the best development of the available irrigation potential large areas would continue to be cultivated under rainfed conditions. The Regional Conference endorsed the creation of the International Crop Research Institute for the Semi-Arid Tropics (ICRISAT), supported the regional project for rainfed agriculture and stressed the need for greater intra-regional co-operation in studying problems of development of dry farming areas. This was considered essential to promote a balanced development of the various regions within a country and avoid internal tensions in the body politic.

48. References were made earlier to the measures adopted for the development and increasing use of high yielding varieties of seeds. The advances in this regard were confined mainly to wheat and rice, and that too in areas of assured irrigation. Besides, even in respect of rice some of the new varieties had been introduced only recently; much of the work on maize, sorghum and bajra was still in an experimental stage and varieties resistant to disease had yet to be evolved; and little progress had been made on evolving HYVs of oil seeds, pulses, and fodder crops since the Canberra Conference. Some delegates stressed that smaller countries did not have the resources to develop necessary research on evolving suitable HYVs on their own and emphasized the need for intra-regional co-operation in this regard; others offered to share their experiences to mutual benefit.

49. Large increases in the use of chemical fertilizers were reported from several countries - India, Indonesia, Malaysia and Sri Lanka and it was expected that the demand for fertilizers was likely to go up sharply in the next few years due to increasing use of HYVs. This was also true of insecticides, pesticides etc. due to rapid increases in their use in Burma, India, Indonesia, Sri Lanka, and other countries. In most developing countries the fertilizers and the chemicals were being imported from the developed countries. Many delegates expressed concern over rising prices of imported fertilizers and chemicals for plant protection and stressed the need for urgent co-operative action in stepping up their production in the developing countries themselves. It was also suggested that FAO Regional Office should assist in providing guidance as to where these inputs could be secured in the most economical way.

Social and Institutional Aspects of Development

50. The problems of small farmers attracted considerable attention. There was general acceptance that their number would continue to increase, perhaps rapidly, during the Seventies and Eighties. Great concern was expressed for devising ways and means of ensuring their involvement in the development processes and improving their living conditions. It was stressed that it had become imperative to review the institutional arrangements for supply of credit and inputs, marketing and education, extension and research, so that they were reoriented towards the needs of small farm economy. The importance of farmers' organizations in reaching these services to small farmers was emphasized. In this connection, several delegates referred to the key role of agrarian reform and outlined the measures adopted by their Governments since the Canberra Conference viz: enactment of legislation in India to provide security of tenure and fair rentals to tenants and share croppers and for ceiling on land holding ranging between 4 to 7.2 ha. of double cropped irrigated land for a family; the fixation of ceiling in Sri Lanka at 25 acres of paddy land and 50 acres of permanent plantation crops; and the land-to-the-tiller programme in the Republic of Vietnam launched during 1970 which provided for ownership for all tenants and share croppers and changed the face of the countryside of Vietnam.

51. To strengthen implementation, the Government of India was also considering the question of setting up Peasants' Associations in the context of the formulation of the Fifth Plan. It was recognized, however, that there were problems of implementation in several countries, and the need for the preparation of land records, the strengthening of administration and the provision of other supporting services, were stressed.

52. There was increasing awareness of the problem of growing un- and under-employment in rural areas, especially among the rural youth due to rapid increases in population. India reported that special programmes had been developed for small and marginal farmers to extend assistance to small owner farmers, tenants, share croppers and the landless. Small Farmers' Agencies had been set up in 46 districts to assist about 2.3 million farmers having holdings between one to two hectares, through the provision of institutional credit for productive schemes and subsidized support for irrigation, land levelling, soil conservation, storage, marketing and subsidiary occupations. Similarly, Agencies for

Marginal Farmers and Agricultural Labourers had been established in another 41 districts to benefit nearly one million persons in this category with special emphasis on the extension of employment opportunities through subsidiary occupations like animal husbandry, dairying and poultry. Besides, there were programmes for Drought Prone Areas, Crash Schemes for Rural Employment and Agro-Service Centres. In Korea, a new community development movement had been launched to abridge the growing gap between rural and urban incomes and raise the social status of the farmers.

Livestock Resource Development

53. In the agricultural development and diversification programmes that were being implemented by almost all developing countries in the Region, considerable efforts were being made to develop animal husbandry and dairying. In general the emphasis was on promoting livestock development as integral part of small farm economy. In Burma and Sri Lanka, development of livestock was one of the high priority areas in the current Economic Development Plan. In India, considerable efforts were being made to develop animal husbandry with special emphasis on dairy development through selective breeding of high quality indigenous breeds of buffaloes, genetic improvement of local cattle through large-scale cross-breeding with superior exotic breeds and the application of artificial insemination technique, and the establishment of a strong machinery for the diagnosis and investigation, and control and eradication of animal diseases especially Rinderpest and Foot and Mouth. Indonesia reported substantial progress in animal production during 1971 with significant increases in the production of milk and eggs, and several livestock projects involving foreign investment had been formulated. Korea reported doubling of beef production by 1976. Malaysia had attained self-sufficiency in eggs and poultry and was to build up the dairy cattle industry to meet local needs in milk and milk products. Nepal had launched a new agricultural policy with defined areas for livestock and dairy development, and Thailand's agricultural diversification policy included livestock development both for export and internal consumption.

Expansion of the Agricultural Base

54. While in several countries of the Region such as India, there was little scope for the extension of cultivation to new lands, and for increased production reliance had to be placed mainly on intensification, in many other countries there were still large unoccupied areas to which cultivation could be extended. Malaysia reported that the potential agricultural land (available for cultivation) was twice as large as the currently cultivated area. In Indonesia where the islands of Java and Bali were under extreme population pressures, there were vast unoccupied lands in the outer Islands of Sumatra, Kalimantan, Sulawesi, etc. So also, there were large areas to be developed in the Khmer Republic, Laos, Philippines and parts of the Republic of Vietnam. There was general consensus that a planned reclamation and settlement of lands in low density areas was essential in the interest of regional development as for releasing pressures in high density areas due to rapid increases in population and manpower which could not be absorbed in non-agricultural sectors due to their low employment potential. The delegates from Laos, and the Khmer Republic also stressed the importance for the resettlement of a large refugee population and of the demobilized soldiers on the termination of hostilities. Several suggestions were made in regard to land settlement and development. Laos stressed the need for heavy machinery for expeditious clearance and reclamation of lands. Malaysia emphasized the need of FAO assistance in the training of staff and settlers and the desirability of undertaking studies into relative costs of development of lands for annual and permanent crops and evolving suitable techniques for reducing cost of settlement and development. The delegate from the Republic of Vietnam highlighted the successful land reform programme in his country and the special consideration given to soldiers on their return from the military.

Forestry

55. Forests play a major role in the economy of several countries of the Region, especially in Burma, Indonesia, Malaysia and Thailand where they constitute a major foreign exchange earner. Threat to forestry generally arose from two directions, namely, (1) indiscriminate extension of cultivation, and (2) inadequate arrangements for forest conservation. While it was recognized that more land should be brought under cultivation, wherever feasible at economic cost, to meet the needs of increasing manpower seeking employment in agriculture, it was stressed that it should follow a well considered plan of land use, keeping in view the requirements of climate and environments and of maintaining adequate area under forests to meet the needs of the national economy. It was noted that in Malaysia, regional master plans were being drawn up to ensure accelerated development of areas for agriculture, both for medium and long-term needs. At the same time, a master plan for the forestry sector was also being prepared with assistance from FAO/UNDP expertise and a National Council was established in 1971 charged with the responsibility for co-ordinating implementation of the forest policies. Nepal reported top priority for afforestation to combat soil erosion and develop forest resources. In Indonesia, where forest exploitation had been undertaken at increasing pace in recent years, efforts towards forest conservation had been stepped up and since 1969, reforestation covered an average area of 60,000 to 70,000 hectares per year. The Government of Burma was also making great efforts to build up forest reserves. A major hurdle reported in efficient forest management was the lack of adequately trained staff at all levels. Malaysia had undertaken an FAO/UNDP project for a sub-professional training centre for rangers. While it was essential to step up national arrangements for training especially the middle level staff, the Regional Conference recognized, however, that regional co-operation offered considerable scope to bridge the gap between availability and demand particularly of officers at senior levels. The recent recognition of the Forest Research Institute at Dehradun (India) by FAO as a Regional Institute should be of considerable help in this regard.

Fisheries

56. The development of marine fisheries, especially the mechanization of coastal and offshore fisheries, was receiving increased attention in most developing countries. Several projects had been undertaken with multilateral and bilateral assistance. Some examples were the mechanization of boats for coastal fishing in India with assistance from FAO/UNDP and under Indo-Norwegian Co-operation, the FAO/UNDP projects for Coastal Fishing Centre and the Deep Sea and Shipjack Training Centre in Korea, the Fishermen Training Institute established with FAO assistance in Malaysia which had enrolled its first batch of trainees to graduate before the close of the year, and the live-bait survey project aided by FAO/UNDP in Sri Lanka. Several other developments were also reported in marine fisheries. In Indonesia and the Republic of Vietnam export of fish and other marine products registered considerable increases in 1971. In Malaysia, a Fisheries Development Authority was established in 1971 to promote and develop efficient and effective management of fisheries enterprises, provide and supervise credit facilities for fishing operations and engage in fish processing and related fisheries enterprises. A Fish Marketing Board was also constituted for improving fish marketing. In Sri Lanka a five-year Fishery Development Plan (1972-76) had been prepared to raise fish production by 60 per cent. There was much concern about the exploitation of small fishermen and the need to ensure them necessary credit and supply of inputs at reasonable prices was highlighted. In respect of inland fisheries, India reported much progress in the development of techniques both for fish seed production and warm water fish culture by the Inland Fisheries Research Institute at Calcutta. Services of experts in these fields had been made available for work in several Afro-Asian Countries.

International Trade

57. The rapid increases in agricultural production had enabled several countries to cut down their imports of food grains. India had stopped all imports and, in fact, built up a comfortable reserve stock of about 9 million tons. In Malaysia rice production had continued to increase to the targeted goal of 90 per cent self-sufficiency, and in Ceylon the objectives of self-sufficiency in rice had now acquired a realistic prospect within the next few years. The Regional Conference welcomed these developments but at the same time drew attention to the problem facing some of the developing countries which were the traditional exporters of agricultural commodities, due to the shrinking demand for their surpluses. The share of Far East in the world trade in agricultural exports had declined from 15.6 per cent in 1960 to 10.3 per cent in 1971. Several countries expressed concern about the future prospects for the exports of a number of commodities such as tea, jute, copra, rubber, oilseed cake and foodgrains in the world market, and the deteriorating terms of trade for the Region. The prevalence of various trade obstacles in the developed countries made it increasingly difficult for developing countries to export their products. Several countries reported on their efforts at diversification of agriculture to decrease their dependence on exports.

58. However, it was generally felt that developing countries alone could not solve these problems without the co-operation of developed countries. It was stressed that developed countries should make suitable adjustments in their agricultural strategy in the interest of developing countries. Apathy or inadequate appreciation of this problem by developed countries would be harmful. For the attainment of peace and prosperity of the world and for the relaxation of the world tensions, balanced international development was indispensable. The Japanese delegate informed the Regional Conference that it had carried out adjustments in rice production. During 1971 rice production had been curtailed by 2.3 million tons, and it was planned to reduce it by a further 2.15 million tons during 1972. He further stated that the share of this Region in Japan's imports of agricultural, forestry and marine products had registered an increase from 27.4 per cent in 1970 to 29.8 per cent in 1971.

Regional Co-operation

59. The need of Regional Co-operation in development, in the sharing of knowledge and expertise, in trade and among various institutions and organizations in different countries of the Region received strong support. In fact, it was considered a matter of great urgency in seeking solutions to pressing problems facing the developing countries in the Region. It was felt that in this, the Regional Offices had a more positive role to play than hitherto. Australia noted the increasing importance of the Regional concept of FAO. Japan visualized that the Regional Office would render greater contribution to the benefit of Member Countries by finding out what was "really needed to co-ordinate agricultural development efforts in the Region". Korea expressed its keen concern over the functional reorientation of FAO's regional role. Indonesia stressed that the process of strengthening Regional Structure and Organization initiated on the recommendations of the 1969 Conference should not be impaired. Malaysia felt that with better understanding of the needs of Member Countries, the Regional Office could co-ordinate the various FAO projects much more effectively, and that it should be charged with full autonomy in co-ordinating the operation and administration of inter-country and regional projects, in addition to its other roles, including advice and evaluation of these projects. It should in consultation with Member Countries formulate the FAO policies for the Region. All these needed additional manpower having technical and administrative competence.

RESEARCH

60. The Conference was informed that, since the last Regional Conference, agricultural research had received increased attention both on the part of FAO's Governing Bodies and by aid donors. This had resulted in a Conference Resolution (9/71) asking FAO to place greater emphasis on encouraging research; and in the formation of a Consultative Group on International Agricultural Research sponsored by FAO, IERD and UNDP, with the aim of channelling additional resources to international or regional research centres or co-operative programmes so as to accelerate progress in relation to research on problems of high priority affecting a broad spectrum of developing countries. A main reason for this increased support was the success of the Green Revolution in Asia which had demonstrated the large benefits which could accrue from well-planned, adequately financed multi-disciplinary research effort even though much still remained to be done to raise average yields nearer to the experimental potential.

61. Nevertheless, resources were unlikely to be available to meet all foreseeable needs, and the Regional Conference had therefore been requested by the FAO Conference to identify their main priorities both in respect of regional or international research, and nationally, as a means of guiding FAO, the Consultative Group, and other interested agencies in channelling support most effectively to identified needs.

62. Member Countries were urged to give fullest support to the 1971 Conference request, so as to achieve maximum synergism from the combined efforts of all scientists and planners and thus to accelerate the contribution of research to development. To promote this co-operation both in international efforts and in the crucial task of developing national research capabilities would be FAO's main aim in its activities related to research in the coming biennia and the Regional Conference was informed of action already being taken to further this objective.

63. The Regional Conference endorsed the broad philosophy and main lines of the priorities suggested in the background paper, which it considered as offering clear and constructive approaches to strengthening research. It also welcomed the initiative of the Director-General and the other Agencies concerned in sponsoring the Consultative Group and the role of FAO in providing the Secretariat for its Technical Advisory Committee (TAC).

64. Recognizing the need for concentrating on priority objectives if optimum use was to be made of the available international and national resources, delegates contributed many valuable suggestions relating both to regional needs and to the role which FAO and other Agencies might play in meeting these needs. It was suggested that the Regional Office should be the main instrument for continuing dialogue between countries of the Region on research priorities and that a Regional Commission on research might be considered to monitor on-going research and to make suggestions for strengthening or down-grading certain activities according to progress and changing needs.

65. The Conference recommended that more emphasis should be placed on research to achieve efficient use of land in a Region where, in most countries, man/land ratios were already extremely tight and farm size was progressively shrinking under relentless population pressure. Existing farming systems and cultural practices had often failed to keep pace with these pressures, or with changes in prices and market requirements, and there was an urgent need for research to devise cropping systems more in tune with land capabilities and economic needs. Intensification, including multiple cropping should be a major goal of such research; but in some countries, such as Indonesia, where there was excessive population in Java and under-utilized resources on outer islands there was also a need to find productive and stable systems of farming or forest-utilization to create employment for migrants from overcrowded areas in areas previously not used for settled agriculture.

66. There was considerable support for a suggestion that FAO should sponsor a Regional Seminar on land use planning, which would have as a main objective the development of specific research projects integrating ecology, conservation, agronomic practices, and economics with the aim of developing more productive systems in tune with main regional and national needs. The Conference noted with satisfaction that the study of more productive systems of agriculture was receiving high priority in the consideration of the Consultative Group and the TAC.

67. A related priority was to develop what one delegate termed "life saving research" concentrated particularly on devising new farming systems and alternative cropping strategies adapted to areas of high climatic instability. This would require research to identify the main areas and characteristics of instability in the Region, and the development and field testing of models aimed at giving farmers greater flexibility of choice in face of the onset of specific climatic hazards, or pest and disease outbreaks. The Conference endorsed the creation of ICRISAT and expressed support for the complementary FAO/UNDP programme geared to rainfed farming in the Region as having a valuable role to play in contributing to such studies in areas of difficult environment.

68. Several speakers referred to the need for research to achieve more efficient use of fertilizers (including micro-nutrients) and pesticides as well as to improve knowledge of their long-term effects on the main ecosystems. Reference was made to the recent FAO expert panel on the effects of high levels of fertilizer use on the environment, but it was pointed out that its conclusions were based mainly on experience in temperate countries which was not necessarily relevant to the tropics. It was suggested that perennial crops offered the best possibility of studying such effects in this Region, since these had in many cases received higher levels of fertilizers and pesticides over a longer period than had annual crops.^{1/}

69. The Conference felt that not only was there a need for research on this aspect of environmental problems, but also to devise suitable standards for the evaluation and determination of acceptable levels of chemical residues in agricultural products. This was needed both for domestic safeguards, and to prevent possible rejection of agricultural exports from the Region. FAO should do all it could to stimulate suitable action to meet these needs.

70. There was general agreement that despite the significant progress made by international and national research efforts in developing high yielding varieties of wheat, rice, maize and millets, and also in improving productivity and health of livestock, much remained to be done to translate scientific breakthroughs into comparable increases in production and prosperity at the farm levels.

71. Several delegates expressed concern at the gap between experimental and farm yields and at the time-lag in getting research results effectively into practice. It was suggested by Thailand in presenting a report to the Conference on the Consultative Group on International Agricultural Research that CIMMYT and IRRI might have put too much emphasis on high yield at the expense of attempting to work to levels closer to the attainable possibilities within the predominant framework of small farms and institutional constraints in many developing countries. An attempt should be made to redress this by research on the yields and economic returns at various rates and combinations of input use with the objective of arriving at a level of improved technology entailing lower expenditure and risks and therefore more easily acceptable to the smaller farmers. More attention should also be given to research on storage, marketing and marketing margins in order to improve producer's share of the ultimate price paid for the product.

^{1/} "Pesticides" is used throughout this section of the report as a generic term to include insecticides, fungicides, herbicides, rodenticides and antibiotics.

72. The Conference recommended that FAO should pay particular attention to encouraging research into the problems of adaptation of new technology by the smaller farmers, including studies as to the optimum type and levels of input use for higher yields, and the design of small and medium scale farm implements and equipment. A low capital/high labour intensive, scale-neutral technology should be the objective and a first step might be for FAO to sponsor a working group or task force to study approaches to this problem.

73. In addition to unflagging efforts to widen and deepen the progress made with high yielding cereals, several speakers stressed the need for increased research to improve the quality of the diet. Amongst priorities suggested were food legumes, especially soya beans and for which an attempt should be made to strengthen an existing institute as a focal point for the whole region, annual oilseeds (including groundnuts) to meet widespread shortfalls in per caput intakes of fats and oils, and tropical fruits which had been badly neglected. The need to collect, conserve and evaluate for further use in breeding programmes, the fast eroding genetic resources of such crops was stressed and the action of the TAC in recommending the Consultative Group to finance an international genetic resources programme to undertake this task was strongly supported.

74. In respect of livestock it was recognized that considerable differences existed between countries in their attitudes, priorities and potentials in the light of dietary customs, and natural resource endowments. However, it was generally agreed that there was a widespread need for more animal protein, and that there was considerable scope for increases through research to develop better crop/livestock integration and pasture/fodder crop improvement. Because of differing research requirements and the need to evaluate potential benefits from the use of resources for certain types of livestock research against alternative means of improving protein intakes such as food legumes and fish culture it was suggested that a TAC task force might be asked to undertake a study of livestock research needs of the Region (as had recently been completed for Africa).

75. The Conference was informed, however, that a proposal for an Asian Centre for Livestock Development had just been submitted to UNDP by FAO, with the expected participation and support of fifteen countries. It would have an initial phase of one year when the primary aim would be to survey and assess the present situation concerning livestock development in the Region, and to formulate plans and programmes for any research and development projects considered essential. According to the recommendations of the initial study further long-term follow up action was envisaged on a project basis. In this light the suggestion for TAC task force was not considered essential.

76. Indonesia also informed the Conference that it was establishing a new research institute for animal husbandry to develop its great potential. Appreciation was expressed by Indonesia for the help being given by Australia in this programme, and it was noted that the work of this institute could be of significance to other countries of the Region.

77. There was widespread support for additional research in non-food crops to increase both productivity and quality of raw materials and to increase competitiveness by improved or new methods of processing and end-use. A first objective should be to identify the products which would benefit most from such research, and to study where priority products were suffering greatest competition as a guide to where research was most pressing and where it was not urgently needed.

78. Concern was expressed at the report from Thailand at the apparent lack of support because of limited resources at the Consultative Group meeting in respect of research on non-food crops and it was suggested that this concern should be brought to the notice of the TAC and the Consultative Group. Appropriate International Centres should also be asked to devote more of their effort to studies of the potential for diversification, especially feasibility of complementary zonal or regional action rather than competitive internal

diversification by single countries unilaterally. The Conference was informed that FAO was considering how best it could identify specific needs and priorities for research on non-food crops, both as part of its advice to the TAC/Consultative Group, and also to help find likely funding for increased research activities if necessary.

79. The Conference strongly emphasized the priority which must be given to building up national research capabilities, and in particular stressed the need for co-ordination and for increasing the number and effective use of trained research workers and managers. International and regional research should complement but not duplicate or compete with national efforts or resources.

80. Several delegations indicated measures which had been taken or proposed to improve planning and co-ordination of activities related to research including the establishment of national agricultural research councils or planning units; the concentration of scattered research efforts into strong central multi-disciplinary institutes; launching country-wide co-ordinated research programmes on specific commodities or problems involving several institutes and disciplines and covering a wide range of ecological and social conditions; the development of experimental programmes at the farm levels planned and implemented jointly by research and extension staff, etc. The need for the development of a most effective mechanism for transfer of research results to farmers was reiterated.

81. One delegate pointed out that satisfactory co-ordination was often even more difficult to achieve regionally than at the national level. He referred to experience with forestry development in the Mediterranean, where very satisfactory results had been achieved by careful selection of research programmes related to specific problems within an agreed overall plan. A specialist had been charged with co-ordinating activities under each programme, and co-operating countries had been offered the choice of activities which they wished to participate in. The person responsible for co-ordination compiled documentation, advised on implementation, visited the countries, assisted in evaluation and analysed and disseminated the results. Both the response from countries and the results had been encouraging, and he believed that this was a useful formula for co-operative action and co-ordinated participation in research which might commend itself to Member Countries for adaptation to regional programmes in Asia.

82. In respect of education and training for research workers, managers and subject matter specialists, it was considered that much could be done to strengthen capacities within the Region by identifying certain institutes or universities which were particularly strong in a certain discipline, and building these up as centres of excellence in that aspect of agriculture. FAO should assist by identifying such centres, building up a register, and informing the other countries who might wish to send staff there for training. There was a need for current awareness of ongoing research and of inventory of scientific capabilities in developing countries and the Conference supported FAO's CARIS project as an important potential tool in this respect. It should, however, complement and utilize existing information systems to the fullest extent possible rather than duplicating them. The registry of scientific and technical services established for part of the Region by the Asian and Pacific Council Countries in 1967 was mentioned in this context.

83. The Conference was assured that FAO was aware of the need to improve information along the lines it had indicated, not only by means of the CARIS project but also by undertaking studies on manpower requirements related to research, sponsoring training programmes, and identifying specific research capabilities in both developed and developing countries which could be harnessed to complement and strengthen research efforts in other developing countries and to achieve economies in equipment or manpower. A special effort was contemplated by FAO in the coming biennium to compile an inventory along the lines suggested, to make this known to Member Countries, and to foster appropriate research and training linkages with the twin objectives of accelerating current progress in research and building up the strength of developing Member Countries to extend their own programmes in the future.

84. The system of relay or staggered planting of 2-3 crops during a growing season in a rainfed area would be an improvement of the monocropping system. This should be studied using early rains and residual water for crop production.

CONTROL OF DISEASES AND PESTS IN PLANT AND LIVESTOCK INDUSTRIES,
INCLUDING THE PROBLEM OF CHEMICAL RESIDUES

Control of Plant Diseases and Pests

85. The Regional Conference reviewed the present situation, activities and programmes in plant pest and disease control and approved the priorities and approaches set in the document FERC/72/4. While noting with satisfaction the progress made by Member Governments in reducing losses in agricultural production, the Regional Conference was concerned with the continued depredations of pests and diseases, such as tungro and other rice viruses, ricegall midge, leaf rollers, sorghum shoot fly, grasshoppers and locusts, downy mildew of maize, ergot of Pennisetum, and rodents, and recommended strongly that plant protection research and extension should be strengthened.

86. Research on critical ecological factors, natural mortality factors (biocontrol agents), determination of most effective and economical chemical control measures and their combination with other control factors, rodent control, weed control and development of treatments for exportable commodities was stressed. The Conference urged that priority should be given to problem-oriented research with due emphasis on multi-disciplinary approach.

87. Information on the distribution and relative densities of pests and diseases in different localities through regular surveys and surveillance programmes should be collected and analysed to enable timely action for detection and monitoring of pest and disease outbreaks. Besides, in the long-term, another advantage of surveys would be an accurate mapping of pests and diseases at different times of the year in the different agro-climatic zones of a country and the Region. This would also enhance the effectiveness of research and facilitate the evolution of integrated plant protection programmes.

88. Most countries in the Region imported the bulk of their requirements of pesticides developed and formulated in temperate countries. There was an urgent need for establishing and strengthening national or regional centres for impartial evaluation of these chemicals for biological efficiency and safety under local conditions. In this connection the Regional Conference reiterated its earlier recommendation that a survey should be undertaken of the existing situation in the Region, particularly on the potential for local formulation of some pesticides, fabrication of certain types of equipment and pooling of existing capacities and resources already available within Member Countries.

89. It was felt that DDT and other chlorinated hydrocarbon pesticides would be required to be used in the developing countries, subject to safety standards, for quite some time for public health and agricultural purposes. In view of the possibility of USA, Europe and Japan, stopping the manufacture of DDT and chlorinated hydrocarbons, the Regional Conference drew attention to the possibilities of increasing the production capacity of these pesticides within the Region or alternatively to encourage the manufacturers in the developed countries to continue to meet the increasing demand for these chemicals in the developing countries. Some delegates felt that this matter required further careful consideration.

90. Because of the serious problems arising out of the use of chemical pesticides, such as, insect resistance, secondary outbreaks of pests, toxic residues, operational hazards, and environmental pollution, the Regional Conference endorsed the concept and approach of integrated pest control or pest management. It urged that a variety of methods of pest control including chemical control, use of parasites and predators, crop manipulation and sanitation, cultural practices, resistant varieties, disease organisms, etc., should be explored and integrated to get the best effect and economic returns with the minimum undesirable disturbance of the environment.

91. It was recognized that integrated pest control was difficult and complex, even though tropical and sub-tropical areas were generally more favourably placed in this regard or because the agro-ecosystems had not suffered intensive application of chemical pesticides. In this connection, the Indian experience from the pilot projects on integrated pest control was cited.

92. The Regional Conference recommended that extension services should be adequately strengthened to extend the benefits of plant protection measures particularly to small farmers. Plant protection extension specialists should be attached to the extension services to ensure their effective participation in adaptive research, demonstration and training programmes. Many delegates emphasized the need for upgrading the skill of field plant protection staff and providing practical training courses for farmers.

93. Formulation of official control recommendations and evaluation of control programmes were suggested for ensuring efficient and effective utilization of plant protection measures.

94. The Regional Conference noted with satisfaction the activities and effectiveness of the Plant Protection Committee for South-east Asia and Pacific Region and regional co-operation in plant protection. It urged upon Member Governments to tighten the plant entry restrictions and improve the inspection and post-entry quarantine facilities. In order to encourage exports of agricultural commodities from the Region, inspection procedures and treatments acceptable to importing countries should be developed. Some delegates suggested that since many commodities were common to several countries, co-operative efforts between countries in developing inspection systems and treatments and disinfection methods would be most fruitful.

95. Priority areas where regional co-operation would be most economic and rewarding were the co-ordinated programmes for rice gall midge, vertebrate pest control (rodents and birds), study of the effect of application of pesticides on environment, detection and measurement of residues of pesticides in food and environment, grasshopper and locust control, regional survey of pests and diseases and storage problems.

96. The regional co-ordinated projects on vertebrate pest control and rice gall midge prepared by FAO had received support from several governments. These projects should be implemented on a priority basis and UNDP and other agencies should be requested to support these projects.

97. It was reported to the Regional Conference that while implementing the regional programmes it was intended to involve the participation and strengthen existing national institutions and co-ordinate this work through mutual exchange of experience and information. This would permit the maximum utilization of available resources in the Region and avoid unnecessary duplication. The Regional Conference recognized the desirability of linking these projects to the activities of the Plant Protection Committee (an inter-governmental body).

98. Regional co-operation was also stressed in several other fields of plant protection where the pest and disease problems were common. Some delegates suggested the organization of regional surveys on wilt of coconut, citrus decline and wheat rusts. Seed-borne diseases were becoming important and were of special quarantine significance. It was suggested that the possibilities of further work on seed borne diseases in the Region should be explored.

99. Some Member Countries suggested that adequate attention should be paid to the bio-economic aspects of plant quarantine restrictions and plant quarantine implications in container-shipping and new carrier systems. Development of statistical methods of inspection and taxonomic support for plant quarantine work was emphasized. It was also suggested that the facilities existing at the international crop research institutions should be more fully utilized in the introduction of plant materials.

100. It was felt that there was need to increase the number of plant protection service centres for enabling the farmers, especially the small farmers, to obtain their requirements, and it was suggested that these centres should be part of the existing agro-service centres.

101. The Regional Conference urged greater use of parasites, predators and pathogens for controlling pests. In this connection, it was suggested that the existing centres such as Commonwealth Biological Control Stations in the Region should be enabled to serve the urgent needs of Member Governments. Efforts should also be made to increase facilities for providing information on parasites and predators and their supply.

102. It was suggested by several delegates that grasshoppers and locusts and some other polyphagous insects and desert locust in the Indian Sub-continent were important in several other countries and could most profitably be tackled on a sub-regional basis.

103. To effectively cope with the increased and continuing nature of work in the Region, and strengthen the activities of the Regional Plant Protection Committee, the Regional Conference recommended that consideration be given to strengthening the plant protection unit at the Regional Office and the locust unit at Headquarters on a continuing basis.

Control of Diseases and Parasites of Livestock

104. The Conference reviewed the various activities and programmes launched in the Region following the recommendations of the Tenth Regional Conference, and discussed the new proposals to improve the quality and efficiency of the veterinary services of Member Countries. It paid special attention to the needs of veterinary education and research and to the necessity to strengthen FAO's animal health work in the Region.

105. The Conference accorded very high priority to the early establishment of the Regional Animal Production and Health Commission for Asia and the Far East under Article XIV of the FAO Constitution. It noted that the provisions of the Draft Agreement for the establishment of this Commission were prepared by a Committee, appointed by the Fifth Regional Conference on Animal Production and Health (a technical meeting) held in Kuala Lumpur in September 1971 and was approved, in principle, by that Conference. It recommended that the text of a Draft Agreement for the establishment of the Commission, presented by the Secretariat (Annex B: FERC/72/CONF/5) be submitted to the Council as early as practicable, and at its November meeting if possible.

106. The recommendation of the FAO Consultant appointed in 1971 to survey and advise on the reinforcement of laboratory services in animal health in the Region, that centres for each of the major animal diseases should be established in different countries of the Region to serve as diagnostic and reference centres, and also to specialize in vaccine production for the diseases mentioned, was welcomed by the Conference as a most important step forward in dealing with animal disease problems of the Region and also in ensuring regional co-operation and co-ordination in animal health work. It was recommended that these Centres be established by selected countries as soon as possible with assistance from bilateral or multilateral sources as required, and urged upon FAO to assist the Member Governments concerned in securing necessary funds.

107. The Conference noted that with the trends in the Region to bring livestock production within the market economy, countries would need to tackle problems of promoting trade in animals and animal products and co-ordinating veterinary control measures with the needs of such trade. There was also the need to promote measures to protect their livestock industries against the introduction of exotic animal diseases and other diseases already existing in the Region which caused great economic loss, and the health of peoples against diseases transmissible from animals to man and other hazards associated with animals and animal products. The Conference endorsed the imperative need for the formulation and implementation of a Regional Veterinary Code which should specifically cover (a) minimum standard of veterinary services (b) veterinary export control (c) transit of animals and animal products (d) regional veterinary reporting and information (e) veterinary certificates for intra-regional trade (f) veterinary co-operation at executive level on a permanent basis and (g) regional emergency disease control programmes, including provisions for temporary joint actions. FAO was requested to assist in the drafting of a suitable code in close collaboration with OIE for implementation by Member Governments.

108. It was concluded that formulating and implementing such a code would facilitate the establishment of "disease-free zones" in parts or regions of a country to permit unrestricted trade in animals and animal products.

109. The limited trained manpower resources in the Region for animal health work made it imperative for Member Countries to effect close collaboration in veterinary education and research. The need for a mutual agreement upon the minimum requirement for degrees and other qualifications awarded by universities in the Region was fully recognized. This would enable countries to make the maximum use of regional facilities, especially in post-graduate education. The Conference recommended that there should be frequent exchanges of teaching/research scientists between Member Countries in the Region, as well as from outside the Region, to afford them opportunities to work in specialized laboratories/institutes/colleges to mutual benefit. It was further recommended that these should be encouraged by Member Governments on a bilateral or multilateral basis.

110. The Conference considered the proposal made at the Fifth Regional Conference on Animal Production and Health held in Kuala Lumpur in 1971 that a regional veterinary college should be established to serve countries which could not afford to establish a veterinary college of their own, but were in urgent need of veterinary graduates. While some delegations were in favour of the proposal, others felt that it would be preferable to obtain additional financial and teaching support for existing veterinary colleges in the Region which were already accepting students from other countries so as to enable them to increase their intake of students from abroad. The Conference took note of the possibility that a mission consisting of members of the FAO/WHO Panel of Experts' on Veterinary Education might be mounted in 1973, subject to availability of funds to study regional veterinary education requirements.

111. The Conference recognized that regional co-ordination and co-operation in disease control had assumed vital and wider importance, and that FAO's animal health work in the Region should be strengthened. It therefore recommended that Regular Programme resources of the FAO should be made available to establish regional animal health activity on a long-term basis rather than continuing the present annual funding of the project with UNDP financing.

Pesticide Residues in Plant and Animal Products

112. The Regional Conference reviewed the problem of pesticide residues in plant and animal products in the Region. While recognizing the hazards of pesticide residues and the magnitude of the problem and the world opinion on environmental pollution and considering the situation in the Region, it was of the view that pesticides were essential for agriculture and public health and their use would have to be continued for many years. It, however, laid stress on the need for safe, proper and minimum use of pesticides, and recommended that educational programmes directed to farmers and others using pesticides, should stress on the safe use of pesticides and on steps aimed at preventing and minimizing pesticide hazards and undesirable residues and environmental pollution. Development of specific and safe pesticides and an intelligent combination of chemical, biological and cultural controls should be encouraged. It further recommended that a systematic survey of the whole question should be conducted and priority given to the foods, feeds and other agricultural commodities of export importance.

113. It further recommended that legislation to control the manufacture, formulation, transport, marketing, use, registration, labelling and safety precautions of pesticides should be introduced. Facilities for implementing the provisions of the legislation should be provided, including the establishment of pesticide laboratories for quality control and pesticide residues. In this connection, the Australian delegation offered assistance in the field of pesticide legislation. The Regional Conference suggested that regional centres might be established for pesticide evaluation, residue analysis and training, which should work in co-operation with the existing institutions.

114. Many delegates were concerned with the strict restrictions imposed by some of the developed countries on pesticide residues on some agricultural commodities imported from this Region and in this regard the case of DDT residues on tobacco reported from the Federal Republic of Germany was mentioned particularly. Reference was made, in this connection, to the following conclusions of the Canberra Conference in 1970: "Some delegates stated that the trend in many European and North American countries to legislate against the importation of food and feed commodities containing pesticide residues at levels which did not constitute a hazard to the health of consumers, but were in excess of their own national requirements, posed a serious threat to exports from the Region. The Conference supported the efforts of the Codex Alimentarius Commission to recognize the special needs of the Region while establishing standards for pesticide residues in food commodities, including residues in animal products resulting from the use of animal feeds containing unavoidable residues of persistent pesticides."

115. The Regional Conference also suggested that FAO/WHO Joint Expert Committee on Pesticide Residues while fixing tolerance limits of pesticide residues should take into consideration the climatic conditions, methods of harvest, storage, processing and cooking of commodities, pesticide formulation and dosage used and method of application obtaining in the Region, because these factors had considerable effect on persistence of pesticides. It also urged that the developing countries should take more active participation in the work of the Committee on Pesticide Residues of the Codex Alimentarius Commission.

116. The Regional Conference recommended that Member Governments and FAO should pay greater attention to pesticide hazards to man, livestock, fish, wild life and environment. A special study should be made on the harmful effects of pesticides on fish.

DEMAND FOR AND AVAILABILITY OF INPUTS FOR AGRICULTURE

117. The Conference stressed the importance of providing material inputs to the farmers on an adequate scale to realize in full the potentialities of the Green Revolution. This involved not only wider use of improved seed, application of higher doses of fertilizers and larger quantities of pesticides but also controlled water supply and improved cultural practices such as good seed bed preparation and timeliness of planting and harvesting leading to increased demand for appropriate forms of mechanization. The demand for these inputs was significantly influenced by the policies and programmes of Governments in the fields of research, credit, price policies and promotional and educational services. Moreover, it was essential to ensure that the input package reached the farmer, particularly the small farmer, and for this infrastructural improvements, building of a marketing system and promotion of village level organizations were called for.

118. The need for developing a continuous supply of seeds of improved varieties and maintaining their purity was underlined. Research to develop high yielding varieties for rainfed areas was particularly necessary to widen the range of the Green Revolution. The assistance rendered by FAO to a number of countries in the Region in improving the production, control and distribution of high quality seed of different crops and in identifying seed projects for IBRD financing was appreciated. The Conference was informed that FAO proposed to hold a workshop on seed technology in 1974.

119. In respect of fertilizers, the demand for which had been growing rapidly in the Region, it was pointed out that the establishment of fertilizer plants was handicapped by paucity of raw materials. It was, therefore, necessary to work out a pattern of co-operation with those countries which were potential suppliers of such raw materials. The possibility of establishing joint ventures also required to be explored. Even with sustained efforts to increase domestic production of fertilizers, many developing countries in the Region were expected to be net importers in the seventies.

120. The importance of scientific analysis of soil nutrients was emphasized especially as intensive cropping was tending to deplete micro-nutrients. To provide guidance to countries in fertilizer application, FAO was requested to provide fertilizer-response data and their relationship to soil test.

121. The possibility of wider use of microflora such as rhizobium and algae in building up soil fertility and improving land productivity should be explored and FAO assistance in this field was deemed important.

122. Associated with the increasing demand for agricultural pesticides was the expanding requirement of sprayers and other kinds of equipment. Assistance in local manufacture of such equipment as well as of agricultural implements through the FAO Industry Co-operative Programme was particularly needed.

123. With regard to mechanization, it was stressed that it should be resorted to only when bottlenecks arose in crop production operations and other cultural practices and that the employment aspects deserved special attention. In addition, countries exporting tractors were enjoined not to make frequent changes of models as they created difficulties in obtaining spare parts.

124. It was stressed that the high yielding varieties required not only a package of inputs but also a well developed system of irrigation capable of proper control over water supply and rational use of water at the farm level.

125. Several delegates outlined the promotional campaigns which were being pushed through in their countries to reach the small farmers. In this regard, intensive training of farmers in the use of new inputs, provision of production credit on more advantageous terms, infrastructural improvements, the need for efficient organizations involving participation of small farmers for timely supply of inputs, and the training of extension workers in the application of new technology were emphasized.

126. An important role of FAO was conceived to be the mobilization of inputs from various sources to meet the requirements of the countries of the Region. It was pointed out that FAO had set up a Fertilizer Industries Advisory Group which was sponsoring demonstrations and trials of fertilizer use in a number of developing countries and that FAO was envisaging the sponsoring of integrated projects involving marketing and credit as well, depending on the stage of development of the country. The need for providing technical assistance by way of organizing seminars on various aspects of input use was underlined. FAO assistance was also required for the introduction or reformulation of legislation on quality control of the different inputs. However, caution had to be exercised in setting up too high a standard.

INSTITUTIONAL POLICIES WITH REGARD TO RURAL CREDIT

127. The Regional Conference noted the work programme of FAO outlined in the background paper which stressed the need to develop and transform the entire institutional credit structure in order to make farmers' and fishermen's credit programmes an effective mechanism for rapid development. There was a growing awareness of the need to create a viable credit system rather than one of establishing and supporting a single credit agency. To achieve this, effective mobilization of domestic savings, particularly in areas of primary production, the involvement of all financial institutions especially central, private, regional and international banks, greater co-ordination between the various governmental agencies involved in a credit programme, increased efficiency of the institutions particularly the co-operatives, and reduced competition especially at the village level between agencies working within a credit system was essential.

128. The Regional Conference endorsed the proposed work programme of the Organization and expressed particular interest in the attempts to encourage greater involvement of the banking systems, both national and international.

129. In regard to the suggestion that countries of the Region should undertake a critical review of their credit programmes through national commissions, some delegates felt that it would be better if a small specialized group were to undertake such an exercise which would minimize the risk of unnecessary bureaucratic procedures.

130. The Regional Conference endorsed the suggestions set out in the work programme for training and considered them to be appropriate to the national needs and recommended high priority to the training of personnel. This could be improved by national workshops on problem identification and evaluation and further strengthened by special courses for different level personnel from all institutions concerned with the planning, implementation and evaluation of credit schemes. It noted with appreciation FAO's endeavours to improve training programmes through the sponsoring of a series of international case studies in co-operation with other international agencies concerned with credit such as the International Co-operative Alliance, International Institute of Saving Banks, etc.

131. Differential interest rates for farmers' and fishermen's credit were generally favoured but it was pointed out that it would be extremely difficult to separate them from the overall national money market. Problems of giving subsidies were also stressed. Regarding security for loans - whether it should be crop or land title - in view of the conditions prevailing in the Region and the special needs of small-scale enterprises, most delegations favoured the use of crops as security.

132. In regard to problems of repayment of loans, it was agreed that some non-repayment could be considered as a normal feature, though it had to be reduced to acceptable levels. To reduce the risk of non-payment it was suggested that it would be desirable to link credit with marketing. Supervised credit for small farmers and fishermen was supported. Difficulties of loan supervision were, however, mentioned by several delegations; and the importance of related supporting services such as extension was emphasized.

133. The Regional Conference welcomed the increasing interest shown by international monetary institutions in making loans available for credit programmes. Several delegates, however, felt that the commercial nature of such loans could conflict with government policies.

134. The Regional Conference emphasized the desirability of holding a regional seminar on agricultural credit and banking. One delegate, while indicating agreement in principle, wished to know more about the nature of the proposed seminar. The suggested World Conference on Agricultural Credit and Banking during 1974-75 was accepted as being a significant factor in highlighting the importance of credit in economic and social development.

135. The FAO proposal to develop further co-operation with national and international banking institutions and the Asian Development Bank in order to encourage them to become more involved in credit programmes was endorsed.

136. Delegations stressed that FAO should increase its involvement in surveys, research projects and evaluation of agricultural and fisheries credit programmes. These would serve not only as a basis for policy planning and implementation but also assist in streamlining procedures in institutional credit programmes. FAO's assistance was also requested at the technical level to help in policy formulation and implementation.

137. Economic as well as social consideration suggested the needs for special measures for credit to reach small-scale producers, both farmers or fishermen, so that they could participate in the development process. This should receive high priority in national development plans, the Regional Conference recommended.

DEVELOPMENT OF RURAL INSTITUTIONS FOR AGRARIAN REFORM
AND SPECIAL EMPHASIS ON SMALL FARMERS

138. The Regional Conference reviewed the progress of agrarian reform programmes and the present agrarian situation in the Region and noted the uneven level of development and implementation between and within the countries of the Region. The Conference was informed of the action taken by FAO in the Region since the last Regional Conference which included national seminars, evaluation studies, a regional study-tour, and a regional comparative study conducted for FAO's Special Committee on Agrarian Reform. The Conference affirmed its support of the report of the Special Committee as a guideline for action in the Region, and endorsed the "small farmer" approach contained in Conference Paper FERC/72/7 noting with special approval that FAO's concept of agrarian reform covered most aspects of rural development, including such matters as rural unemployment and the need for improved rural institutions and infrastructure, all considered to be essential elements for any programme of agrarian reform in this Region. The necessity for a comprehensive and integrated rural development approach to agrarian reform programmes was borne out by the practical experience of successes and failures narrated by several delegates at the Conference.

139. While reviewing problems of implementation of programmes of land tenure reforms, it stressed the importance of land records for effective enforcement of the laws and noted with appreciation the action taken in the Republic of Vietnam in this regard where aerial photography and electronic computers were used in providing land titles to the tillers expeditiously. It also emphasized the need for special tribunals to avoid dilatory and cumbersome legal processes and expedite implementation.

140. The Regional Conference recognized that while comprehensive legislation and effective administration were necessary to implement land tenure policies, an informed and organized peasantry was equally essential to the enforcement of the law. The development of a broad base of understanding and sympathy for the aims and objectives of any agrarian reform programme amongst the concerned Government staff at all levels was also important. The Regional Conference requested FAO to intensify its efforts at training and orientation of staff at national and regional levels and in conducting evaluation studies of current programmes.

141. The Regional Conference recognized that any comprehensive process of integrated rural development in which employment was generated in a big way in the rural areas and participation of the peasant masses was to be assured would necessitate major changes in the agrarian structure. It noted the two possible approaches to such agrarian re-organization which would promote agricultural development as well as employment generation, namely co-operative farming or family farming. Some delegates stressed that the choice of which pattern of farming to follow should remain the free choice of farmers.

142. The need to give greater attention to institutional support required for intensification and diversification of production of the small family farms in established farming areas was recognized. The Conference felt that a comprehensive and co-ordinated set of rural institutions specifically designed to meet the particular needs of the small farmers, tenants and share croppers was essential to the successful implementation of any agrarian reform and rural development programme. Presently, most institutions, whether they covered credit and savings, marketing, production inputs, extension, research, agricultural education or co-operatives tended to be dominated and in many cases even monopolized by the medium and rich farmers. In view of this, the Conference strongly recommended that governments review, with the assistance of FAO where desired, their existing network of rural institutions as to their suitability to service the small farmers and where necessary, build in safeguards to ensure their full and active participation.

143. The Conference noted with concern the growing un- and under-employment in rural areas and stressed the need to develop special programmes and measures for the small and marginal farmers and agricultural labourers aimed at generating employment and stimulating participation in the rural sector.

144. The attention of the Conference was drawn to the fundamental role played by the formal educational system in influencing the attitudes of all those passing through the system. It recognized the need for radical reforms in the formal educational systems of developing countries in the Region and endorsed the proposal that Member Governments and FAO alike should encourage more effective teaching and discussion, particularly in systems of formal and informal agricultural education, relative to the technical, social and economic aspects of agrarian reform and rural development.

145. The Conference recommended that Member Governments should increasingly direct their training and research efforts - agronomic, economic and social - towards the needs of the weaker sections of the rural society. It noted the initiatives being taken by several governments to establish, in some cases with FAO assistance, national research and training institutions covering major aspects of agrarian reform and rural development, and supported the suggestion that FAO should identify those institutions or agencies which were particularly strong in certain aspects of the problem and to further develop them into centres of excellence capable of offering assistance and facilities to other countries of the Region.

146. The Conference noted the experiences of Indonesia, Malaysia and Sri Lanka regarding land settlement schemes. In the planning and implementation of these schemes, the social and human factors had often been neglected, particularly as they related to women and youth. The Conference strongly endorsed the need to establish a balance between development of land and of people in any settlement scheme and called on FAO to assist interested countries in planning comprehensive training programmes for both staff and settlers (including women and youth). FAO was also requested to undertake studies on the economics of settlement schemes (with particular attention to a comparison of short-term and long-term crops) with a view to evolving effective settlement programmes at minimum cost. The Conference recognized the contribution which land settlement schemes could make to the problem of rural unemployment, especially among rural youth and requested FAO to organize a regional seminar on land settlement problems and prospects, with particular reference to youth settlements, in order that the valuable experience gained in this Region and elsewhere could be more widely shared.

147. The Conference noted with approval the UNDP/FAO regional project proposal to establish an Asian Centre for Agrarian Reform and Rural Development. The regional project would greatly increase FAO's capacity at regional level to assist Member Countries to plan and conduct, at both national and regional levels, the studies, training activities, socio-economic research, evaluation and exchanges of experiences considered by this Conference to be essential to accelerating agrarian reform and rural development in the Region.

148. The Conference considered the suggestions of the FAO Secretariat to expand the Regional Commission on Agricultural Extension to cover the major institutional aspects of agrarian reform and integrated rural development in recognition of the need for greater institutional co-ordination in support of the small farmers, and recommended that FAO should initiate earliest appropriate action to effect this change. It further recommended that appropriate linkage be established between the expanded Commission and the proposed Asian Centre for Agrarian Reform and Rural Development.

149. The Conference recognized the immensity and complexity of the task of providing the millions upon millions of small farmers, tenants and agricultural labourer timely and adequate supporting services and supplies, and recommended that they should be assisted to organize themselves into effective and efficient associations which would ensure them the essential supplies and services.

150. The proposal of one delegation that the FAO Regional Office undertake, in co-operation with other interested international agencies such as ILO and ICA, a study of the problem of adapting co-operative principles to local conditions in developing countries of the Region also received general support from the Conference.

REVIEW OF PROBLEMS AND PROSPECTS OF AGRICULTURAL TRADE IN THE REGION

151. The Conference reviewed the problems and prospects of agricultural trade in the Region in the light of the Secretariat paper on "Trends and Prospects facing the Main Agricultural Products of the Region in World Commodity Markets (FERC/72/8)" and a paper prepared by the ECAFE Secretariat on "Prospects and problems for developing co-operation and trade within the Region (FERC/72/9)".

152. The Conference noted with concern the trends of agricultural trade in the Region over the preceding decade, when total merchandise exports from Asia and Far East had increased by only 2.5 per cent per annum against an average increase of 4.1 per cent for the developing countries as a whole and 7.6 per cent per annum for the developed countries. The performance of agricultural exports, the Conference noted, was even worse since for the Region as a whole there was virtually no increase in value terms between 1957-59 and 1967-69. Over the same period the agricultural exports of developed countries had increased by 3 per cent per year and of developing countries as a whole 1.4 per cent per year. A particular cause for concern was the relatively sharp increase of 5.5 per cent per annum in agricultural imports into the Region. As a consequence the net contribution of the agricultural sector to the foreign exchange earnings of the Region had declined at a time when the requirements of imported inputs for the agricultural sector were rising rapidly.

153. It was noted that the developing countries in the Region continued to rely heavily on primary agricultural products as a source of export earnings, while the composition of their exports was further heavily weighted by one or two principal commodities. This was further aggravated by the fact that the main markets for their agricultural exports remained primarily in the high income countries, which exposed the developing countries of the Region to the unfavourable factors affecting demand in developed countries. These factors included slow population growth, low income elasticities of demand for basic foods and beverage at high levels of per caput consumption, rapid technological advance leading to intense competition from synthetics and substitutes, and the high degree of protection of domestic agriculture and processing industries. Forest products were a notable exception, demand tending to react positively to rising incomes.

154. The Conference assessed the prospects of agricultural trade for the Region for the current decade in the light of the FAO Commodity Projections and agreed with the conclusion presented in the Secretariat paper that on the basis of existing trends and policies, these prospects did not seem very encouraging and most countries in the Region could expect only marginal gains in the net export balances from their agricultural trade. The Conference therefore underlined the importance of appropriate policy measures at the national, regional and international levels to correct the recent unfavourable trends and improve the prospects of agricultural trade in the Region. The Conference also agreed that these policy measures should concentrate on: (i) export promotion to find expanded markets for traditional exports, (ii) crop diversification to reduce the Region's dependence on its traditional export crops like rice, rubber, tea, jute and edible oils, whose demand prospects were not very bright and to shift greater attention to crops like feedstuffs, sugar, livestock, tropical fruits, spices, tropical nuts, and vegetables and some high value fishery and forestry products, (iii) strengthen international commodity and marketing arrangements for products of interest to the Region, (iv) promotion of greater intra-regional trade through appropriate institutional arrangements and policy measures, and (v) reduction in the level of self-sufficiency and adjustment in the production of processed products in high income countries to provide increasing access to the products of developing countries.

155. In respect of item (v) above, however, the delegations of Australia, France, Japan and the United States of America reserved their position, since they believed that the matter was essentially one for examination by the organizations dealing primarily with international trade, and further, that the results of FAO's studies on international agricultural adjustment should be available before they would take a position in the matter.

156. The Conference welcomed the Secretariat's initiative to extend its commodity work to the country level by providing larger assistance to interested Member Countries in identifying products with better export or import substitution prospects, and in exploring policies and measures necessary to take advantage of these prospects. The Conference considered that FAO should provide greater assistance to Member Governments to improve the quality of their food products in accordance with international standards and regulations and in this context noted with interest a proposal to organize a regional seminar on Food Hygiene and Sanitation.

157. The Conference underlined the importance of a more favourable international framework for agricultural trade to ensure better market access for the products of the Region. In this context the Conference particularly welcomed the decision of the 16th Session of the Conference to adopt international agricultural adjustment as a major theme of the 1973 FAO Conference, and expressed the hope that the main study on international agricultural adjustment now under preparation would present concrete suggestions and policy alternatives for expanding world trade and for enabling the developing countries to obtain a growing share in this expanding world trade. The Conference noted with considerable interest that the recent Secretariat Study on "Problems of Agricultural Adjustment in the Developed Countries" had been discussed at the recent Eighth European Regional Conference, and particularly welcomed the Conference's recognition of the need for further international co-operation to develop a world-wide framework for national and regional agricultural adjustment policies, taking into account the objectives and strategies of DD2.

158. Some delegates pointed out that the proposed adjustment measures should ensure at least a minimum increase in the exports of developing countries in line with DD2 targets, rather than aim at correcting market imbalances through supply and price adjustments, since neither of these alternatives would lead to larger export earnings. Similarly diversification policies should be linked to overall development strategy.

159. The Conference welcomed the close co-operation between FAO and ECAFE in the solution of commodity problems. It appreciated the ECAFE efforts at regional co-operation in relation to specific commodities and suggested that such co-operation might be extended to certain other commodities including processed products if the problems facing them could be tackled more effectively through regional co-operation. A suggestion was made that some of the regional commodity communities might explore joint marketing arrangements for their respective products. Many delegates expressed concern at the constant rise in ocean freight rates and its harmful effect on the trade of the Region and emphasized the importance of more effective means of co-operation in shipping. The Conference felt that FAO should promote, in collaboration with ECAFE, UNCTAD and GATT a study on rationalization of freight rates, insurance and re-insurance of commodities of the Region.

160. The Conference noted and supported the wide-ranging efforts of ECAFE to promote regional co-operation in development. Several delegates stressed that regional co-operation arrangements should be conceived in a broader perspective and should not lead to inward looking policies. The criteria of competitive prices and efficiency should remain prominent to ensure longer term viability for the trade policies of the countries concerned.

161. The Conference requested the FAO Secretariat to strengthen its commodity work at the regional level to be more operationally oriented and also to assist the regional commodity communities. It further requested FAO to undertake in close co-operation with ECAFE studies of potential expansion of the intra and inter-regional agricultural trade, focussing on the complementarity of production patterns among developing countries and regions. Such a study should identify those commodities which had been imported from other regions but could potentially be traded among the countries of the Region. FAO's assistance was also sought to promote greater consumption and end-use of the products of the Region. In this connection, it noted with interest the proposed UNDP/FAO project on promotion of agricultural diversification and harmonization of intra-regional trade in agricultural and agro-industrial commodities.

PROGRAMME OF WORK FOR THE REGION

A. Review of Medium-Term Plan -- in accordance with Resolution 6/71 of XVI Session of the Conference

162. The Secretariat called attention to the change in format and content that would be introduced in the presentation to the next FAO Conference of the medium-term document, largely following recommendations made by the Programme Committee at its 21st Session in May 1972. In the sub-programme narratives, the view of medium term prospects would be included, and the medium-term document itself would become a policy paper.

163. The importance of the medium-term exercise as a way of involving governments closely in FAO's programme was pointed out. In this sense, the work of Regional Offices in preparation of Regional Conferences became very important. The Secretariat expected that the identification of priorities and problem areas in agricultural, fisheries and forestry development at the Regional Conferences would provide a sound basis for the work that the Organization must do in building up global medium-term objectives.

164. Several delegates stressed the need to evolve a more effective means of participation and involvement of Member Countries in the formulation of the medium-term proposals. It was felt that the existing Committees on Agriculture, Forestry and Fisheries had not proved adequate in this respect. A stronger regional perspective of priorities with an identifiable regional or sub-regional focus within the medium-term proposals was considered essential. It was suggested that as the Regional Conferences were the main fora for policy consultation at the regional level, these were the most appropriate instrument, in co-operation with the Regional Offices for determination of the regional programmes of work, which should be taken into account in drawing up the overall programme of work of FAO to be submitted to its Governing Body. These would then form an integral part of the overall programme for FAO as a whole.

165. Since there were regional technical bodies dealing with the main sectors of agricultural development it was logical that these should play an important role in assisting with the preparation and formulation of programmes covering these sectors or problems of high priority for development. However, as with the medium-term objectives, the work of these regional technical bodies should be appraised periodically to determine what changes might be needed in the light of new emerging priorities.

166. Some speakers sympathized with the problems facing the Director-General and the Regional Office in trying to formulate a concise and development-oriented document which would separate the essential continuing activities of the Organization from areas where competing choices and alternatives for use of resources were feasible. Such a document should endeavour to indicate areas where it was proposed to reduce existing activities; not because these were of no value but because other alternatives had higher priorities. It should also clarify the reasons why certain choices had been made. The elimination of low priority activities need not necessarily involve entire sub-programmes but elements of less importance within sub-programmes.

167. The Conference attached considerable importance to a continuation of the efforts being made by the Director-General to present regional medium-term objectives in a way which would enable effective contribution by the Regional Conferences towards the determination of the objectives of the Organization as a whole.

168. The Secretariat informed the Conference that the Programme and Finance Committees had requested the Organization to change the title of the "Medium-Term Plan" to "Medium-Term Objectives". In attempting to formulate the proposals the needs and requests of countries and regions had in fact been foremost in FAO's considerations, although perhaps a more adequate and clearer means of reflecting these still had to be found. However, countries could not expect to see their individual priorities reflected in FAO's overall work programme; this fell under UNDP country programming with which, of course, FAO is deeply involved.

169. The Secretariat cited that FAO's objectives should be to work on problems of wider significance affecting groups of countries, regions or even globally and which might require co-operation with other agencies for their implementation. Here the Regional Offices had a vital role to play and should be suitably staffed to help define areas of highest priority in co-operation with the countries of the Region for consideration by the Regional Conferences which were the highest policy-making bodies at the regional level. It would then be the job of headquarters staff to attempt to integrate these priority objectives most meaningfully into the overall work programme for the Organization. FAO's approach was still evolving, not only in its techniques of medium-term programming, but in its whole attitude to being a development as opposed to a purely technical assistance agency. One of the main objectives of the recent redeployment of resources at headquarters was to enable it to achieve a more effective role in development and the Regional Offices could be invaluable not only in indicating priorities for development but also the timing of the main thrusts. However, it was important that regions should indicate not only which activities should be given high priority, but also those which were considered of less importance, since overall resources were relatively inelastic.

B. Implications of the Action Plan of the UN Conference on the Human Environment on FAO Programmes

170. The Conference agreed that for the developing countries the problems of the human environment were primarily rational management of natural resources, maintenance of their long-term productive capacity, land and water use planning and the quality of life in rural areas. It was reported that FAO had contributed to clarifying some of the misunderstandings on the environmental effects of agro-chemicals and that it had taken a positive position at Stockholm in this respect, considering both the development requirements and the need for long term protection of the environment.

171. The Conference noted the statement that these problems would grow in dimension in the near future as natural resources of our planet would come under increasing pressure in order to meet the requirements of a growing population and its rising expectations. Increased emphasis would therefore need to be placed in FAO programmes on the efficient management of natural resources on a sustained yield basis.

172. The Conference agreed that although a good number of recommendations of the Stockholm Conference were addressed to FAO, many aspects were not new and were already covered by ongoing and planned activities of the Organization.

173. On particular points it was stressed that the control and recycling of wastes in agriculture, the environmental aspects of physical planning and the development of improved systems for agricultural production in difficult environments, should receive greater attention in the programmes of FAO.

C. Review of Priorities within the FAO Programme of Work for the Region (including the review of major recommendations of FAO Regional Technical Bodies)

174. The Conference reviewed the proposals for the Programme of Work of FAO and particularly the Regional Office for Asia and the Far East in the Region on the basis of document FERC/72/11. The document represented a new departure in a number of ways, insofar as it was the first time that the Regional Office was presenting to the Conference its own specific programme of work based largely on the selection of a limited number of priority areas of action, and because it contained a number of proposals concerning the organization and mode of work of the Regional Office. The document also proposed a reconsideration of the functions and coverage of regional technical bodies, particularly with a view to linking their work with the regional programme formulating functions of the Regional Conference.

175. The Conference noted the close links of the agenda item with items 9.1 (Medium-Term Plan) and 10 (Role of Regional Offices).

176. The initiative by the Regional Office to embark on a programming exercise, the results of which the Conference was now reviewing, was welcomed, as was the innovation of linking several of the priority areas of action to closely related UNDP inter-country projects which had been approved in principle by the UNDP, and were now waiting for final decision.

Priority Areas of Action

177. The Conference was informed of the modality of arriving at the choice of the priority areas. It was based on government views as ascertained at previous Regional Conferences, Technical Committees and other regional intergovernmental fora, and in personal visits to countries by the Regional Office staff, including the Regional Representative. The Conference agreed with the choice of the priority areas, since they were generally in line with widely felt country needs, and showed a sense of realism and understanding of the regional aspirations. While the problems themselves were not new, they had to be viewed in new light as circumstances changed and the problems themselves became more complex and urgent. The Secretariat regretted that in this first exercise it had not been possible to consult governments as adequately as desirable in the choice and formulation of the UNDP inter-country project proposals.^{1/} It pointed out that the execution of the projects, while a major activity, did not constitute all of the action contemplated under the related priority area. The approval by the Conference of the priority areas as a guide for action by the Regional Office would now enable the latter to reorient its activities. This would imply a reduction in some of the current on-going activities, such as short term technical assistance, organization of seminars and training centres, and project identification and formulation, in areas not directly related to the priority problems.

^{1/} The inter-country project proposals are:

- (i) Improvement of Rainfed Agriculture in Asia and the Far East
- (ii) Regional Livestock Centre for Asia and the Far East.
- (iii) South China Sea Fisheries Development and Co-ordinating Programme.
- (iv) Agricultural Diversification and Intra-Regional Harmonization of Production and Trade.
- (v) Asian Centre for Agrarian Reform and Rural Development.
- (vi) Regional Course for Wild-Life Management.

178. In the detailed consideration of the eight priority areas of action, several delegates welcomed the stress on the problems of small farmers and landless labourers, and the attention given to agrarian reform, under the priority area on Improvement of rural institutions, with special emphasis on the small farmers. Some delegates, however, stressed the need for caution in dealing with such a politically sensitive matter as agrarian reform. Emphasis was placed on the need for integrated approach to the problem of rural development.

179. The choice of Development of rainfed agriculture as one of the priority areas was welcomed, since there was an urgent need to improve the imbalance of income growth and welfare gains between the farmers with irrigated land, who were able to take advantage of the new cereal cultivation techniques entailing the use of controlled irrigation, and the majority of farmers whose lands were dependent on rainfall. An approach on a wide front was needed, covering research, training, demonstration, development projects, etc. The planned co-operation with ICRISAT, particularly under the related UNDP project, was welcomed as an essential feature.

180. The action contemplated under the priority area concerned with Promotion of adequate regional machinery for livestock development through co-operative programmes between Member Countries was welcomed as contributing to the improvement of protein availability, greater earnings and savings of foreign exchange, and the development of more advanced farming systems integrating crop and livestock production. Stress was placed on the importance of improved animal health as a condition of increased output. The Conference welcomed the assurances by the Secretariat that the work under this priority area would be carried out in close consultation with the Regional Commission on Animal Production and Health, when established.

181. In discussing the Promotion of integrated food and nutrition policies and programmes in the Region, delegates agreed that the conduct of basic surveys of nutrition were an essential first step, although the fundamental emphasis should be on concrete action to improve nutrition. Special attention was drawn to the importance of food legumes for human nutrition, and to the need to prepare adequately for the shift in demand to animal products. This entailed, aside from other things, increased attention to the establishment of feed mills and the use of crop waste material for animal feed.

182. The potential contribution of work on Promotion of agricultural diversification and harmonization of intra-regional trade to national welfare, especially in countries where monocultures were prevalent, was recognized. One delegate further suggested that the possibility of expanding trade between developing regions should also be considered under this priority area and staffing for commodity work strengthened. It was suggested that the Regional Office should work closely with the Mekong Committee.

183. The Promotion of co-operative fisheries development programmes in the Region was considered an important activity, and the need for co-ordination of programmes in sub-regions such as the South-China Sea was appreciated. The importance of avoiding duplication of effort was stressed. The Conference believed that action within the functions of the existing organs of FAO (IOFC and IPFC) should remain the responsibility of those bodies.

184. In the area of Forest and forest industries development planning, and conservation and management of forests, including wild-life, it was suggested that since forest resources in many countries were ample, the main need was for resource surveys, for development of intensive use of selected species, forest management, forest industry development, and marketing. Also the problems created by shifting cultivation might be brought under this priority area.

185. Improved water management at farm level was recognized as an important objective, together with helping governments to find solutions to the problem of soil salinity.

186. The Conference welcomed the increased emphasis the Regional Office proposed to give to planning assistance to Member Countries. It noted that this was to be done through the fielding of multidisciplinary task forces to help governments in sectoral or sub-sectoral planning, and through participation in the proposed programme of country perspective studies. Like in other country work of the Regional Office, it was intended to involve the concerned technical staffs of the country as far as possible and relevant.

187. It was recognized that the Regional Office could not undertake further priority programmes with its present resources. A number of other proposals, often of equal urgency and validity, had however been prepared by the Secretariat, for financing by any additional extra-budgetary funds that might become available either from bilateral sources or through an increase in the Indicative Planning Figure for inter-country UNDP projects, which was generally supported. Further suggestions for priority action were made by a number of delegates. The latter included: development of tools, equipment and machinery suitable for small farms; utilization of waste products for animal feed; study of causes of the weakness of co-operative movement in much of the Region; improvement of professional competence and management skills of small farmers; promotion of rural youth programmes; examination of ways of slowing down the growth of wheat imports in the tropical countries of the Region; development of agro-industries; the special problems of land-locked countries, particularly transport; and development of national agricultural colleges and research institutes.

Role of Regional Conferences and Regional Technical Bodies

188. In the course of a lively discussion on the role of the Regional Conference, it was generally agreed that the Regional Conference was the main policy body in the Region. It had therefore an important role to play in the formulation of FAO's programme of work in the Region, and in the review of the Organization's past activities. For it to perform this function properly, however, changes were required both in the nature of the documentation presented to it, and in the working methods of the Conference. Thus, there was need for the Conference to perform a critical evaluation of the work of FAO in the Region in the preceding biennium, on the basis of a Regional Office report, and for a full inventory of the development projects being executed by FAO in the Region. The planned programme of work would have to be presented in more concrete detail, showing the amount of resources from different sources it was intended to use for each activity.

189. To better fulfil the programme review and formulation functions, more time had to be given to governments, both to prepare adequate briefs prior to the Conference, and to consider the programme from a technical point of view during or immediately prior to the Conference, before presenting the final choices to the policy makers who would be able to attend the Conference for only a short period. Consideration might, therefore, be given to the convening of either pre-conference working parties or sessional committees for the purpose.

190. As suggested by the Secretariat, the more systematic and purposeful programming of FAO's work in the Region would call for changes also in the role of the Regional Technical Bodies. The Conference agreed that they could make a major contribution to the preparation of a regional programme of work, and that they should therefore be linked in a more organic way to the work of the Regional Conference. On more general grounds, too, there was a need for reviewing their work, as had been proposed by the Secretariat, to see whether any of them might need strengthening, abolition or merging with other bodies. The evolution of new priority concerns, on the other hand, might necessitate the creation of new bodies.

ROLE AND FUNCTIONS OF REGIONAL OFFICES, SAA/FAO COUNTRY REPRESENTATIVES,
HEADQUARTERS AND THEIR INTER-RELATIONSHIPS

191. In introducing this item, the Assistant Director-General, Development Department, outlined how the regional structure of the Organization had developed over the years as a result of the expression of needs and wishes of the governments from the various regions. He also informed the Conference of the process through which the Programme and Finance Committees and the other Regional Conferences had considered this important matter regarding the role and function of the Regional Offices, and said that the views voiced by the delegates and the suggestions made at the Conference would have special importance in guiding the views of the Director-General and enabling him to finalize his position in time for formulation and presentation of the 1974-75 Programme of Work and Budget early next year.

192. On the basis of the Organization's past experience and known future demands, the Director-General holds the definite view that Regional Offices would be required to perform at least five important functions: liaison with regional bodies, pre-country programming, country perspective studies, work on human environment, and medium-term planning.

193. Regarding the role of Regional Offices in country programming, delegates were particularly requested to examine carefully the extent to which Regional Offices, in addition to discharging important functions in policy formulation, should also furnish technical assistance to governments. This was a question which required careful analysis as the main technical assistance resources available to governments presently came from the UNDP and from government bilateral programmes, whereas the Regional Offices had to rely on the scarce resources of the Regular Programme. The Director-General considered that the establishment of multidisciplinary task forces to assist governments in defining and solving complex problems must be regarded as belonging very largely to the planning rather than technical assistance functions of the Regional Offices. Here he was of the opinion that such activities should be continued and strengthened.

194. The Assistant Director-General, however, recognized that in respect of each of the above functions, the specific role of the Regional Offices required clearer definition and to this end delegates were requested to provide advice and guidance.

195. Many delegates considered that the Regional Offices should be reinforced in order to enable them to play a more effective role, in co-operation with national governments, UN Economic Commission, Regional Technical Bodies and other aid-agencies, in formulating policies leading to the development of the regional programme of work and budget, as well as in its implementation in terms of the supervision, administration, and monitoring. One delegate suggested that the Regional Offices should use the same programme management and control techniques as at Headquarters.

196. To achieve this would require a much greater measure of delegation of authority, and decentralization of expertise, and supporting services; on the other hand, the determination and economic utilization of the additional resources required by the Regional Offices would be greatly facilitated by the existence of an agreed and well-structured regional work programme aligned to carefully determined priorities. It was pointed out that increased staff resources and greater delegation of authority would enable Regional Offices to react to country requests more rapidly than was the case now, and to play a greater role in the promotion of regional co-operation.

197. While such programmes would enable the overall work plan of FAO to be built up from the country level, thus ensuring a more accurate reflection of national and regional needs, it was recognized that final programme and budget formulation must of necessity be undertaken at Headquarters both to harmonize regional priorities and also to achieve a broader global view on certain common problems.

198. The role and functions of the SAA/Country Representatives were examined closely. Some delegates believed that they should be responsible first to the Regional Representative rather than directly to Headquarters. They should be an integral part of the regional organization, working within the framework of the regional programme. The fact that SAAs inevitably had to perform a generalist function necessitated strong support from a cadre of subject matter specialists, rather than from more high level generalists. Such specialist support could be provided more effectively from a Regional Office than from Headquarters. It would also help to strengthen linkages between the regular and field programmes, and reinforce the SAA's capacity to advise the UNDP in respect of country programming, an area where several speakers considered that FAO was not strong enough at the moment. Supervision of technical staff working on field projects could also be better achieved through decentralization of control to regional offices, thereby improving FAO's overall managerial capacity.

199. Some speakers, however, expressed doubts concerning the advisability of the SAA/Country Representatives being entirely under the control of the Regional Offices. One delegate was opposed to further strengthening of Regional Offices and felt that more effective use of scarce resources could be achieved by giving greater support to country offices for specific programme development. The role of the Regional Offices should be restricted to co-ordination with regional bodies, development of multi-country activities, and advice to the Director-General on regional priorities. In view of the present and foreseeable financial difficulties facing FAO, he did not think it feasible to strengthen both country and Regional Offices.

200. A different viewpoint was expressed by some other delegates who felt that funds could be used most effectively by concentrating on strengthening the specialist capabilities of regional offices to work hand-in-hand with the Country Representatives. While not opposed in principle to giving additional support to Country Offices, this was not considered to be a practical proposition in the light of financial constraints.

201. Note was taken of the recent reorganization of the Headquarters structure of IBRD and UNDP on a regionally-oriented basis. In response to the question facing FAO whether it could best serve its Member Countries by following this pattern of giving increasing emphasis to regional problems or by decentralizing part of its headquarters' functions and specialized services to the Regional Offices, the overwhelming majority of the delegates favoured the latter action.

202. Representatives from some Southwest Pacific countries pointed out the limited assistance and infrequent or short visits of FAO staff to their countries and requested the Director-General to examine the possibility of establishing a Regional Office in their area. Alternatively if this request should not prove feasible at this time, appropriate alternative action to ensure better servicing from FAO should be considered.

203. The Secretariat informed the Conference that to the fullest extent possible, their views would be taken into account by the Director-General in presenting his ideas to the Council, but then, in view of the short time available, his final position would have to be reflected in the Programme of Work and Budget for the next biennium. Delegates would note, however, that recent years had been marked by a continuous process of delegation of authority to the Regional Representatives.

204. The SAA/Country Representatives had also become increasingly important to FAO's relations with Member Countries although under FAO's agreement with UNDP they reported to and received instructions from FAO only on technical matters. This agreement was now being reviewed with the assistance of a consultant who would be apprised of the views of the Regional Conferences. In reply to a statement from one of the delegates, the Secretariat informed the Conference that UNDP had a rule that a national of a country could not be employed in his own country and this policy tended to be followed generally within the UN family. A SAA had recently been appointed to Papua and New Guinea, but the wish of the countries of the Southwest Pacific to be more strongly supported in future FAO programming would be given serious consideration.

SUMMING UP BY ASSISTANT DIRECTOR-GENERAL/REGIONAL REPRESENTATIVE

205. Summing up the discussions at the Conference, Dr. Umali stressed the contribution by the Regional Conference to the analysis of the emerging problems of agricultural development of the Region and the guidance it had offered to both FAO Headquarters and the Regional Office. The dominant themes identified by the Regional Conference, he said, were as follows:

- a) the concern for the small farmer as the active participant in the development process;
- b) the regional co-operation;
- c) the measures for increasing export earnings;
- d) the priority areas and programmes of work in the Region; and
- e) the role of the Regional Office in the overall framework of FAO's programme.

206. Continuing, Dr. Umali stated that concern for the small farmer by the Conference was expressed in its recommendation that research be directed to evolving a technology entailing lower expenditure on inputs and risks, and that special action was required such as radical agricultural policies for rural development involving programmes of land reform, strengthening of the extension service, production of credit on more advantageous terms, arrangements for marketing and storage of produce, and active involvement of the small farmer in programmes of rural development through the formation of peasants' associations.

207. He said that the Conference felt that many common problems among the Member Countries could best be solved through regional co-operation, particularly in such fields as research, education and training, and trade. Research emphasis was stressed in such areas as efficient land use, new farming systems, alternative cropping strategies adapted to areas of high climatic instability, adoption of new technology by small farmers, and diet improvement through the use of food legumes and oilseeds. The Regional Office was recognized as the main instrument for a continuing dialogue on research priorities in the Region. Some other fields in which regional co-operation was stressed were the identification and building up of certain agricultural education institutions as centres of excellence; exploring joint marketing arrangements for their respective products, and developing commercial infrastructure to facilitate trading transactions within the Region.

208. Referring to the decreasing volume of agricultural exports from and the sharp increase in agricultural imports into the Region, Dr. Umali said that the Conference had stressed the need for export promotion and to find more markets for traditional exports, crop diversification to reduce the Region's dependence on its traditional export crops and to shift attention to such commodities as feed stuffs, sugar, livestock products, tropical fruits and nuts, vegetables, spices, fishery and forestry products. A growing share of the developing countries of the Region in the expanding world trade was a stand unanimously taken by the Conference.

209. There was overwhelming support for the proposed regional re-orientation of FAO's work, he said, and the Conference had made valuable constructive suggestions in regard to the content of the proposed priority programme and the procedure in the formulation and submission of regional programmes in the future. In this regard the Conference laid emphasis on labour intensive technology, waste utilization, small farm management, and integrated rural development with special reference to rural employment generation. Underscored was the desirability of participation of rural people in the rural development process which highlighted the need for intensive education and training at the village level.

210. It was the all but unanimous view of the Conference that the acceptance of a separate regional programme implied necessarily the progressive devolution of power, responsibility and resources to the Region from Headquarters. The Conference stressed the desirability that a regional programme be planned and directed from within the Region. A majority

opinion of the Conference pointed out that it would be more economical to service Member Countries from a Regional Office in Bangkok than from Headquarters in Rome and stressed the need for a direct relationship between the FAO Country Representative and the Regional Representative. The Conference noted that the Director-General would take cognizance of its view in his forthcoming discussions with the UNDP on the review of the existing agreement between UNDP and FAO on the role of the FAO Country Representative.

211. The Conference had recommended that in the future a proposed programme of work should be backed by a budget and should include an inventory and evaluation of projects already adopted or on-going and be subjected to a more detailed breakdown and closer prior scrutiny by Member Governments. Firm support was likewise given to the proposal that the structure and operation of the regional technical bodies be carefully reviewed towards integrating them within the framework of the regional programme.

212. Concluding his summing up Dr. Umali assured the Conference that the Regional Office would do its best to fulfil the mandate of the Conference of undertaking a regionally-oriented priority programme of work. In undertaking this work, he emphasized that it can no longer be believed that technology, economics and sociology should remain value free, so that the vast majority of mankind will develop automatically from the fall-out benefits of national economic growth. The fact must be faced that fundamentally, our concern is a moral concern; and this basic moral concern for human development can no longer be ignored.

DATE AND PLACE OF THE TWELFTH FAO REGIONAL CONFERENCE FOR ASIA AND THE FAR EAST

213. The Delegate of Japan made an offer on behalf of his Government to host the next Regional Conference in 1974, subject to budgetary appropriation. The Conference welcomed the offer and recommended it for the consideration of the Director-General.

CLOSING OF THE CONFERENCE

214. The Delegate of Indonesia moved a vote of thanks on his behalf and on behalf of other participants and expressed their deep appreciation for the excellent arrangements made for the conduct of the Conference. Thanks were due, he said, to the Chairman of the Conference for his able conduct of its proceedings, to the host government for the excellent facilities and the cordial hospitalities and to the Indian and FAO staff who had contributed so much to the success of the Conference.

215. The Delegate of Sri Lanka supported the sentiments expressed by the Delegate of Indonesia. The Delegate of the United States, also endorsed the expressions of appreciation by the Delegate of Indonesia. He suggested that the agenda for the next Regional Conference should include a review of field problems and programmes.

216. The Chairman in his concluding remarks observed that there was great improvement in the quality of participation in the deliberations of the Conference. There was much greater dynamism, earnestness and concern for the poor than before among the functionaries of FAO and the distinguished delegates. This Region, he said, had rich heritage and large population and was potentially prosperous. It had, however, suffered from long neglect and was still bedevilled by conflicts and confrontations in certain parts. He stressed the need to work towards achieving a more cohesive and integrated approach to build up the economy for the benefit of the huge mass of mankind living in this part of the world.

217. The Chairman thanked the Director-General, the Assistant Director-General/Regional Representative and FAO staff for all their help in the organization and conduct of the Conference. He then declared the Eleventh FAO Regional Conference for Asia and the Far East closed.

Eleventh FAO Regional Conference for Asia and the Far East

New Delhi, India, 17-27 October 1972

A G E N D A

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D. PROGRAMME OF WORK FOR THE REGION

9. 9.1 Review of C 71/15 - Medium-Term Plan - in accordance with Resolution 6/71 of XVI Session of the Conference
- 9.2 Review of Priorities within the FAO Programme of Work for the Region (including the review of major recommendations of FAO Regional Technical Bodies)

E. ROLE OF REGIONAL OFFICES

10. Role and Functions of Regional Offices, SAA/FAO Country Representatives, Headquarters and their Inter-Relationships

F. CONCLUDING ITEMS

11. Summing-up by the Assistant Director-General/Regional Representative for Asia and the Far East
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LIST OF DOCUMENTS

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FERC/72/1a	Provisional Annotated Agenda
FERC/72/2	Regional Representative's Review of FAO's Activities in the Region
FERC/72/3	Research
FERC/72/4	Control of Diseases and Pests in Plant and Livestock Industries - including the Problems of Chemical Residues
FERC/72/5	Demand for and Availability of Inputs for Agriculture
FERC/72/6	Institutional Policies with regard to Rural Credit
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FERC/72/10	Medium-Term Plan (extracts from Council Committee Reports)
FERC/72/11	Review of Priorities within the FAO Programme of Work for the Region
FERC/72/12	Role and Functions of Regional Offices, SAA/FAO Country Representatives, Headquarters and their Inter-Relationships

FERC/72/INF Series

FERC/72/INF/1	Information Note
FERC/72/INF/1-Corr.1	(Corrigendum)
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FERC/72/CONF/1	Director-General's Statement
FERC/72/CONF/2	Statement by ADG/Regional Representative for Asia and the Far East
FERC/72/CONF/3	Summary of Major Recommendations of the FAO Regional Technical Bodies for Asia and the Far East
FERC/72/CONF/4	Address of Mr. E. Saouma, Chairman of the IDWG on Natural Resources and the Human Environment
FERC/72/CONF/5	Explanatory Note on the Draft Agreement for the Establishment of a Regional Animal Production and Health Commission for Asia and the Far East Under Article XIV of the FAO Constitution
FERC/72/CONF/6	Statement by the Independent Chairman of the FAO Council

FERC/72/REP Series

FERC/72/REP/1	Introduction
FERC/72/REP/2	Director-General's Statement, etc.
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FERC/72/REP/4	Research, etc.
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FERC/72/REP/6	Review of Problems and Prospects of Agricultural Trade in the Region
FERC/72/REP/7	Programme of Work for the Region
FERC/72/REP/8	Review of Priorities within the Programme of Work for the Region, etc.

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SUMMARY OF RECOMMENDATIONS AND SUGGESTIONS

I. RECOMMENDATIONS ADDRESSED TO THE DIRECTOR-GENERAL

REVIEW OF PRIORITIES WITHIN THE FAO PROGRAMME OF WORK FOR THE REGION (INCLUDING THE REVIEW OF MAJOR RECOMMENDATIONS OF FAO REGIONAL TECHNICAL BODIES)

1. The Conference welcomed the initiative of the Regional Office in the new programming exercise and the identification of eight priority areas for action, namely: (para. 176)
 - (a) Improvement of rural institutions, with special emphasis on the small farmers

The stress on the problems of small farmers and landless labourers, and the attention given to agrarian reform, were welcomed. (para. 178)
 - (b) Development of rainfed agriculture

The planned co-operation with ICRISAT, particularly under the related UNDP project, was welcomed as an essential feature of this programme. (para. 179)
 - (c) Promotion of adequate regional machinery for livestock development through co-operative programmes between Member Countries

The work under this priority area would be carried out in close consultation with the Regional Commission on Animal Production and Health, when established. (para. 180)
 - (d) Promotion of integrated food and nutrition policies and programmes

Special attention was drawn to the importance of food legumes for human nutrition, and to the need to prepare adequately for the shift in demand to animal products. This entailed, aside from other things, increased attention to the establishment of feed mills and the use of crop waste material for animal feed. (para. 181)
 - (e) Promotion of agricultural diversification and harmonization of intra-regional trade

The potential contribution of work on this priority area to national welfare, especially in countries where monocultures were prevalent, was recognized. (para. 182)
 - (f) Promotion of co-operative fisheries development programmes in the Region

The importance of avoiding duplication of effort was stressed. It was suggested that action within the functions of the existing organs of FAO (IOFC and IPFC) should remain the responsibility of those bodies. (para. 183)

(g) Forest and forest industries development planning, and conservation and management of forests, including wild-life

Since forest resources in many countries were ample, the main need was for resource surveys, for development of intensive use of selected species, forest management, forest industry development, and marketing. Also the problems created by shifting cultivation might be brought under this priority area. (para. 184)

(h) Improved water management at farm level

It was recognized as an important objective, together with helping governments to find solutions to the problem of soil salinity. (para. 185)

Additional Priority Areas

2. The following proposals, often of equal urgency and validity, had however been prepared by the Secretariat, for financing by any additional extra-budgetary funds that might become available either from bilateral sources or through an increase in the Indicative Planning Figure for inter-country UNDP projects, and these were generally supported: (para. 187)

- (a) Pre- and post-harvest crop protection, with emphasis on vertebrate pest control (rodents and birds), rice gall midge, and reduction of losses due to pests in storage. Action in this field has been supported by Member Countries, and letters of intent have been received by FAO.
- (b) Improvement of grain storage and processing.
- (c) Study of effects of the wide application of pesticides on the environment.
- (d) Detection and measurement of residues of pesticides in food and the environment.
- (e) Improvement of crop productivity, with special reference to food legumes, tubers, root crops, tropical fruits, oil seed crops (annuals and perennials), grazing resources evaluation and improvement, and seed technology.
- (f) Improvement of credit for small farmers and fishermen, through the involvement of international/regional and national central banks.
- (g) Project development missions for planning for better family life (submitted to UN Fund for Population Activities).
- (h) Improvement and expansion of agricultural statistical services, including fisheries and forestry.
- (i) Improvement of food and agricultural inputs control programmes and legislation.
- (j) Training in the utilization of remote sensing techniques for agricultural (including forestry and fisheries) purposes.

3. Further suggestions for priority action were made by a number of delegates, namely: development of tools, equipment and machinery suitable for small farms; utilization of waste products for animal feed; study of causes of the weakness of co-operative movement in much of the Region; improvement of professional competence and management skills of small farmers; promotion of rural youth programmes; examination of ways of slowing down the growth of wheat imports in the tropical countries of the Region; development of agro-industries; the special problems of land-locked countries, particularly transport; and development of national agricultural colleges and research institutes. (para. 187)
4. The Conference welcomed the increased emphasis the Regional Office proposed to give to planning assistance to Member Countries through multi-disciplinary task forces, and also through participation in the country perspective studies. (para. 186)

Role of Regional Conferences, and Regional Technical Bodies

5. To enable the Regional Conference to fulfil its programme review and formulation functions adequately, consideration might be given to the convening of either pre-conference working parties or sessional committees. (para. 189)
6. The Regional Technical Bodies could make a major contribution to the preparation of programme of work. They should be linked in a more organic way to the work of the Regional Conference. Their work should be appraised periodically to determine what changes might be needed in the light of new emerging priorities. (paras. 190, 165)

ROLE AND FUNCTIONS OF REGIONAL OFFICES, SAA/FAO COUNTRY REPRESENTATIVES, HEADQUARTERS AND THEIR INTER-RELATIONSHIPS

7. The Regional Offices of FAO should be reinforced in order to enable them to play a more effective role, in co-operation with national governments, UN Economic Commissions, UN Technical Bodies, and other aid agencies in formulating policies leading to the development of the regional programme of work and budget, as well as in its implementation in terms of supervision, administration, and monitoring. The FAO Regional Offices should use the same programme management and control techniques as at Headquarters. (para. 195)
8. FAO should effect a greater measure of delegation of authority, decentralization of expertise and supporting services. On the other hand, the determination and economic utilization of the additional resources required by the Regional Offices would be greatly facilitated by the existence of an agreed and well-structured work programme aligned to carefully determined priorities. (para. 196)

9. The SAA/CRs should be responsible first to the Regional Representative rather than directly to Headquarters. They should be an integral part of the regional organization, working within the framework of the regional programme. The fact that SAA/CRs inevitably had to perform a generalist function necessitated strong support from a cadre of subject matter specialists, rather than from more high level generalists. Such specialist support could be provided more effectively from the Regional Office rather than from Headquarters. It would also help to strengthen the linkages between regular and field programmes, and reinforce the SAA's capacity to advise the UNDP in respect of country programming. Lastly, the supervision of technical staff working on field projects could also be better achieved through decentralization of control to the Regional Offices, thereby improving FAO's overall managerial capacity. (para. 198)
10. The possibility of establishing a Regional Office in the Southwest Pacific area should be examined. Should the proposition not prove feasible at this time, appropriate alternative action should be taken to ensure better servicing from FAO. (para. 202)

RESEARCH

11. The Regional Office should be the main instrument for continuing dialogue between countries of the Region on research priorities and that a Regional Commission on Research might be considered to monitor on-going research and to make suggestions for strengthening or down-grading certain activities according to progress and changing needs. (para. 64)
12. FAO should sponsor a Regional Seminar on land use planning which would have as a main objective the development of specific research projects integrating ecology, conservation, agronomic practices, and economics with the aim of developing more productive systems in tune with main regional and national needs. (para. 66)
13. Not only is there a need for research on the aforementioned aspect of environmental problems, but also to devise suitable standards for the evaluation and determination of acceptable levels of any chemical residues in agricultural products. This was needed both for domestic safeguards, and to prevent possible rejection of agricultural exports from the Region. FAO should do all it could to stimulate suitable action to meet these needs. (para. 69)
14. FAO should pay particular attention to encouraging research into the problems of adaptation of new technology by the smaller farmers, including studies as to the optimum type and levels of inputs use for higher yields, and the design of small and medium scale farm implements and equipment. A low capital/high labour intensive, scale-neutral technology should be the objective, and a first step might be for FAO to sponsor a working group or task forces to study approaches to this problem. (para. 72)

CONTROL OF DISEASES AND PESTS IN PLANT AND LIVESTOCK INDUSTRIES, INCLUDING THE PROBLEM OF CHEMICAL RESIDUES

15. Consideration should be given to strengthening the plant protection unit at the Regional Office and the locust unit at Headquarters on a continuing basis. (para. 103)

16. Pursuant to the recommendation of a 1971 study which recommended the reinforcement of laboratory services in animal health in the Region, centres for the major animal diseases should be established in different countries of the Region to serve as diagnostic and reference centres, and also to specialize in vaccine production for the diseases mentioned, and that these centres be established by the selected countries as soon as possible with assistance from bilateral and multi-lateral sources as required with FAO's assistance in securing necessary funds as desired. (para. 106)
17. FAO should give attention to the imperative need for the formulation and implementation of a Regional Veterinary Code which should specifically cover (a) minimum standard of veterinary services, (b) veterinary export control, (c) transit of animals and animal products, (d) regional veterinary reporting and information, (e) veterinary certificates for intra-regional trade, (f) veterinary co-operation at executive level on a permanent basis, and (g) regional emergency disease control programmes, including provisions for temporary joint actions. (para. 107)
18. FAO/WHO Joint Expert Committee on Pesticide Residues, while fixing tolerance limits of pesticide residues, should take into consideration the climatic conditions, method of harvest, storage, processing and cooking of commodities, pesticide formulation and dosage used, and method of application in the Region because these factors have considerable effect on the persistence of pesticides. (para. 115)
19. FAO should pay greater attention to pesticide hazards to man, livestock, fish, wildlife and environment, and a special study should be made on the harmful effects of pesticides on fish. (para. 116)

DEMAND FOR AND AVAILABILITY OF INPUTS FOR AGRICULTURE

20. FAO should provide fertilizer-response data and their relationship to soil test. (para. 120)
21. An important role of FAO was conceived to be the mobilization of inputs from various sources to meet the requirements of the countries of the Region. The need for providing technical assistance by way of organizing seminars on various aspects of input use was underlined. FAO assistance was also deemed required for the introduction or reformulation of legislation on quality control of the different inputs. However, caution was invited against setting up too high a standard. (para. 126)

INSTITUTIONAL POLICIES WITH REGARD TO RURAL CREDIT

22. A regional seminar on agricultural credit and banking should be held. (para. 134)
23. FAO should increase its involvement in surveys, research projects and evaluation of agricultural and fisheries credit programmes as well as in the technical aspect of policy formulation and implementation. (para. 136)

DEVELOPMENT OF RURAL INSTITUTIONS FOR AGRARIAN REFORM AND SPECIAL EMPHASIS ON SMALL FARMERS

24. The Conference affirmed its support of the Report of the FAO's Special Committee on Agrarian Reform and the "Small Farmer" approach contained in the Conference Paper as a guideline for action in the Region. (para. 138)

25. Informed and organized peasantry and the development of a broad base of understanding and sympathy for the aims and objectives of agrarian reform amongst the concerned Government staff were essential to effective implementation of agrarian reform. Training and orientation of staff at national and regional levels in conducting evaluation studies of current programmes should be intensified. (para. 140)
26. Studies should be undertaken on the economics of settlement schemes (with particular attention to a comparison of short-term and long-term crops) with a view to evolving effective settlement programmes at minimum cost. (para. 146)
27. A regional seminar on land settlement problems and prospects should be organized with particular reference to youth settlements, in order that the valuable experience gained in this Region and elsewhere could be more widely shared. Interested countries should be assisted in planning comprehensive training programmes for both staff and settlers, including women and youth. (para. 146)
28. The Regional Commission on Agricultural Extension should be expanded to cover the major institutional aspects of agrarian reform and integrated rural development in recognition of the need for greater institutional co-ordination in support of the small farmers. Earliest appropriate action should be established between the expanded Commission and the proposed Asian Centre for Agrarian Reform and Rural Development. (paras. 148, 147)

REVIEW OF PROBLEMS AND PROSPECTS OF AGRICULTURAL TRADE IN THE REGION

29. Greater assistance to Member Governments should be provided in improving the quality of their food products in accordance with international standards and regulations, and in this context it noted with interest a proposal to organize a regional seminar on food hygiene and sanitation. (para. 156)
30. In collaboration with ECAFE, UNCTAD and GATT, a study should be promoted on rationalization of freight rates, insurance and re-insurance of commodities in the Region. (para. 159)
31. The commodity work of FAO at the regional level should be strengthened to become more operationally oriented and also to assist the regional commodity communities and promote greater consumption and end use of the products of the Region. (para. 161)

REVIEW OF MEDIUM-TERM PLAN - IN ACCORDANCE WITH RESOLUTION 6/71 OF XVI SESSION OF THE CONFERENCE

32. FAO should evolve a more effective means of participation and involvement of Member Countries in the formulation of medium-term proposals. It was felt that the existing Committees on Agriculture, Forestry and Fisheries had not proved adequate in this respect. A stronger regional perspective of priorities with an identifiable regional and sub-regional focus within the medium-term is considered essential. Inasmuch as the Regional Conferences are the main fora for policy consultation at the regional level, these are considered the most appropriate instruments, in co-operation with the Regional Offices, to propose the regional programmes of work. (para. 164)

IMPLICATIONS OF THE ACTION PLAN OF THE UN CONFERENCE ON THE HUMAN ENVIRONMENT

33. The control and recycling of wastes in agriculture, the environmental aspects of physical planning and the development of improved systems for agricultural production in difficult environments should receive greater attention in the programmes of FAO. (para. 173)

II. RECOMMENDATIONS ADDRESSED TO MEMBER GOVERNMENTS

1. More emphasis should be placed on research to achieve efficient use of land in a Region where, in most countries, man/land ratios were already extremely tight and farm size was progressively shrinking under relentless population pressure. (para 65)
2. Additional research should be devoted to non-food crops to increase both productivity and quality of primary products and to increase competitiveness by improved or new methods of processing and end-use. A first objective should be to identify the products which would benefit most from such research, and to study where priority products were suffering greatest competition in the world market as a guide to where research was most pressing and where it was not urgently needed. (para. 77)
3. The need for co-ordination and avoidance of unnecessary duplication and for increasing the number and effective use of trained research workers and managers should be recognized. (para. 79)
4. Priority should be given to problem-oriented research with due emphasis on multi-disciplinary approach. (para. 86)
5. A variety of methods of pest control including chemical control, use of parasites and predators, crop manipulation and sanitation, cultural practices, resistant varieties, disease organisms, etc., should be explored and integrated to get the best effect and economic returns with the minimum undesirable disturbance of the environment. (para. 90)
6. Extension services should be adequately strengthened to extend the benefits of plant protection measures, particularly to small farmers. (para. 92)
7. On the problem of pesticide residues in plant and animal products in the Region, educational programmes directed to farmers and others using pesticides should stress on the safe use of pesticides and on steps aimed at preventing and minimizing pesticide hazards and undesirable residues and environmental pollution. (para. 112)
8. A systematic survey of the whole question of pesticide residues should be conducted and priority given to the foods, feeds and other agricultural commodities of export importance. (para. 112)
9. Legislation should be enacted to control the manufacture, formulation, transport, marketing, use, registration, labelling, and safety precautions of pesticides should be introduced, and facilities for implementing the provisions of the legislation should be provided, including the establishment of pesticide laboratories, for quality control and pesticide residues. (para. 113)
10. Member Governments should consider the need for a more active participation in the work of the Committee on Pesticide Residues of the Codex Alimentarius Commission. (para. 115)

11. Greater attention should be given to pesticide hazards to man, fish, wildlife and environment and special studies should be made on the harmful effects of pesticides on fish. (para. 116)
12. The importance of providing material inputs to the farmers on an adequate scale to realize in full the potentialities of the Green Revolution should be recognized by Member Governments. (para. 117)
13. With regard to mechanization, the employment aspects deserve special attention. In addition, countries exporting tractors are enjoined not to make frequent changes of models as these create difficulties in obtaining spare parts. (para. 123)
14. National credit programmes for farmers should be linked with marketing and supporting services such as extension. (para. 132)
15. Further co-operation with national and international banking institutions and the Asian Development Bank in order to encourage them to become more involved in credit programmes should be extended by national governments. (para. 135)
16. Special measures for credit to reach small-scale producers, both farmers and fishermen, should receive high priority in national development plans. (para. 137)
17. With the assistance of FAO where desired, national governments should review the existing network of rural institutions as to their suitability to service the small farmers and where necessary, build in safeguards to ensure their full and active participation. (para. 142)
18. National governments should increasingly direct their training and research efforts - agronomic, economic and social - towards the weaker sections of rural society. (para. 145)
19. For the developing countries, the problems of the human environment being primarily those of rational management of natural resources, maintenance of their long-term productive capacity, land and water use planning and the quality of life in the rural areas, increased emphasis would, therefore, need to be placed by national governments on the efficient management of natural resources on a sustained yield basis. (paras. 170, 171)

DIRECTOR-GENERAL'S STATEMENT

Mr. Chairman, Excellencies, Distinguished Delegates, Ladies and Gentlemen,

I am very pleased to be back again in New Delhi for this Eleventh Regional Conference for Asia and the Far East. I need hardly tell you that this Region, by far the most populous in the world and the scene in recent years of such exciting technical developments in agricultural production, has a special significance for all those, like FAO, concerned with the economic and social progress of the developing countries. And among all developing countries which are at present Members of FAO, India occupies a special, pivotal position. Again, the considerations of size of population and technical progress in agriculture particularly apply. But there is also another factor about India which I should like to mention. And that is the drive by its Government for greater social justice and for the elimination of poverty under the slogan "Garibi Hatao". At a time when we find not only a widening gap between the rich and poor classes within so many countries in the developing world, this active and vigorous concern for the less fortunate in India that has been so movingly demonstrated by Prime Minister Indira Gandhi is an inspiration to us all.

Mr. Chairman, let me now say how glad I am to welcome here all the delegations from our Member Countries. Among these, I should like to say a special word of welcome to Fiji which was admitted to FAO at the last session of the general conference last November and which is attending a Regional Conference for the first time as a full Member.

I should also like to welcome Bangladesh, which has applied for membership of FAO and which, pending a decision on this by the Conference next year and with the approval of a majority of members of the Council, is present here as an observer.

I think that the last session of the Conference is indeed the best starting point for my statement today. Several developments have occurred since then which may affect the progress of countries such as yours as well as FAO's future work in the world. I will mention some of these developments, and I shall be grateful for the views of the countries of this Region on them. But let me first place them in the light of some of the major topics which were discussed last November.

The Conference's main subject of business was, of course, the state of food and agriculture throughout the world. During this session, it examined this largely in terms of what I described as the chronically and heavily unbalanced state of world agriculture today and the consequent need for a more serious effort than ever before to correct this through a wide-ranging process of international agricultural adjustment. As you know, it endorsed my proposal that adjustment should be the major theme of the next session at the end of 1973. The Conference also expressed concern that agricultural production in the developing world was not increasing fast enough, particularly when viewed against the target of an average growth rate of four per cent a year set in the International Strategy for the Second Development Decade. It looked at various ways by which the rate of increase could be accelerated - notably through more widespread agricultural research to help bridge the technological gap between the high-income and the developing countries, and through adjustments in trade that would open up the markets of the richer nations more widely to the agricultural products of the poorer ones.

So far as FAO as an Organization is concerned, the main feature of the Conference was its discussions on the Programme of Work and Budget and the Medium-Term Plan. I would only remark in this connection that, already at that time, our financial situation was obviously serious and that shortly thereafter it became ominously apparent that the budget as voted would not be enough to enable us to carry out the programme for the biennium as

approved, even with further withdrawals from the Working Capital Fund in November next. I also paid considerable attention to what was said by delegates from both developed and developing countries at the Conference on the need for FAO to tighten up on its activities. Both these factors made it clear to me soon after the Conference that there would have to be an immediate and strong sharpening of FAO's priorities in this present biennium and the next as well as in the period covered by the Medium-Term Plan.

These, then, were some of the main recollections and ideas in my mind following the Conference at the end of last year. Let us now look at some of the things that have happened since.

I had best begin, I think, with the question of agricultural production in the developing world. From the three per cent increase recorded in 1970, our preliminary figures for 1971 unfortunately show a sharp drop. For the developing world as a whole, the increase seems to have been only between one and two per cent. In the developing countries of this Region, the best estimate we can so far arrive at is an increase of about two per cent - considerably lower than the four per cent annual increase recorded during the previous two years. This was largely due to adverse weather conditions - drought and floods - and to political disturbances such as those which took place in and around what is now Bangladesh.

Regional production figures need to be treated with caution. This is particularly true of this Region, which is so vast and so diverse. For example, the two per cent increase I have mentioned obscures the fact that India's food production grew by a much more satisfactory percentage - a matter of some significance in the light of the present world cereal situation which I shall discuss in a few minutes. Nevertheless, even allowing for variations such as this, the overall increase of two per cent in this Region is disappointing when compared with the Second Development Decade target of a four per cent average annual growth.

The reasons for keeping up with this growth rate cannot be stressed too often. They are basically twofold. Firstly, let us just take the question of food production - where the figures throughout the developing world differ only slightly from those for agricultural production as a whole. Now, while it would be unwise and misleading to take the figures of just a number of countries in a single year as evidence of a general trend, it is also true that they bring up again the problem which has troubled generations ever since the time of Malthus - the problem of how, if such a trend were to develop and spread, it would ultimately be possible to feed all the ever-growing numbers of people on this earth.

The answer - at least the theoretical answer - is clear. I have stated it many times. The root of the problem is not incapacity to produce enough food. It is poverty. But it is precisely because of this fact that the developing countries must achieve this target of an average annual growth rate of four per cent in agricultural production. For, if they fall behind this target, they fall behind the average annual growth rate of at least six per cent in their gross product as called for in the International Strategy for the Second Development Decade. In most developing countries of course, the agricultural sector is the largest one. If they fail to expand it fast enough, they are thereby reducing their best hope of breaking the general bonds of poverty.

Let me now turn specifically to the present world cereal situation which I mentioned a little while ago. It is clear that we are now going through a period of sudden and substantial change. This is highlighted, of course, by the recent arrangements under which the Soviet Union is now buying very large quantities of grain from the United States and some other countries. Our present information is that as a result of this and other factors, stocks of grain in the major producing countries in the developed world are now coming down to a lower level than has been the case for a number of years.

This would certainly seem to be a matter of importance to the developing countries in view of the fact that, at least in the more recent past, the major producing countries have maintained sufficient reserve stocks which could, whenever necessary, be made available to parts of the developing world at times of widespread disaster. However, the whole matter should be seen in its true overall perspective. Even if the stocks in the major producing countries are smaller than in recent years, they are still large enough to take care of any crisis that can be envisaged at present. It is, nevertheless, true that we are in a new situation. My purpose now is to draw it to the attention of the developing countries of this Region and indicate broadly what they, for their part, can do about it.

In this context, the example of India is extremely relevant. This country which, only a few years back, was largely at the mercy of the weather as regards its ability to feed its huge population, has now, I understand, built up a reserve grain stock of no less than nine million tons.

Other developing countries have also of course made considerable efforts to step up food production, notably through the new technology associated with the Green Revolution. But the Green Revolution is far from won. The general situation in developing countries of this Region and elsewhere is still vulnerable. The hazards of the weather and other natural phenomena have to be constantly allowed for. I would thus urge on all developing countries of this Region the wisdom of continuing and intensifying policies for building up stocks in years of plenty in order to meet unforeseen crop failures as part of their general drive to increase agricultural production.

In the general context of increasing production, I would remind Ministers of Agriculture here of the extent to which FAO can be of assistance in partnership with them. Take, for example, the new Country Programming procedures which, under the leadership of the UNDP, all countries are applying in co-ordinating their requests for technical assistance in the framework of their development plans. I know that these are early days to attempt any detailed evaluation of what has so far happened and, moreover, that the amount of development aid involved is only a limited part of the total amount from all sources. Nevertheless, the expertise that is available in FAO's Regular Programme can often, I suggest, be extremely useful to Ministers of Agriculture in the thrust and direction of the contributions that they make to plans for Country Programmes.

Let me now refer to a few other general factors which are vital to the growth of agriculture in the developing countries and on which FAO has been focussing its attention since the Conference last November.

Research is clearly one. To the extent that technology is one of the keys to progress - and the onset of the Green Revolution has at least given us a glimpse of the possibilities that lie in store - everything possible must be done to step up agricultural research in the developing countries. You will have heard of the Consultative Group on Agricultural Research which was established last year and in which FAO co-operates with several major donor countries, private foundations, the World Bank and the UNDP. As part of this overall endeavour, we have started a systematic review of research needs in the developing world with a view to identifying priorities for action. This has already led to the setting up or expansion of certain research centres or programmes in different parts of the world. There are notable examples in this Region such as the International Crops Research Institute for the Semi-Arid Tropics at Hyderabad in this country, the agreement for which was signed last July. Another enterprise, with different and more general objectives, that is being supported by members of the Group is the Computerized Agricultural Research Information System (CARIS) that has been devised by FAO to provide both national and international research workers with up-to-date knowledge of what is going on in agricultural research programmes elsewhere. The first phase of CARIS - covering fourteen West African countries - is already under way.

I should also mention that for the past few years, FAO has also been active in promoting the creation of an international Information System for the Agricultural Sciences and Technology (AGRIS), a co-operative effort involving all Member States, which we hope will considerably improve the dissemination of scientific and technical knowledge in agriculture and related fields. The FAO Conference has endorsed this project and we are now preparing the implementation of AGRIS with the support and participation of countries and interested institutions.

A final point on the general question of technology. We in FAO are fully aware of the need of developing countries such as those of this Region for labour-intensive technologies in view of the fact that the most abundant resource available in these countries is labour. It has been estimated that about 90 per cent of modern technology has been developed in high-income countries. It is mostly capital-intensive and, therefore, partly unsuited to the requirements of developing countries. This is something which, though seemingly evident, still needs to be more widely appreciated, and the lessons of it need to be much more widely applied.

I turn now to economic matters. I have already spoken of poverty as the root cause of the slow rise of agricultural production in the developing world. This, of course, chiefly means that there is insufficient growth of internal demand which reduces the incentive of farmers to produce more. But, in addition, there is the question of lack of external demand, the restricted opportunities for trade in outside markets which are also a drag on the spirit of enterprise of farmers in developing countries such as yours.

This brings me directly to UNCTAD III, an event for which FAO had prepared very thoroughly and to which it looked forward, like the developing countries, with hopes that derived from concern at the world trade situation. It must, I fear, be recognized that in most respects, UNCTAD III did not live up to these hopes. In my statement at Santiago, I stressed the point that, since the developing countries are much more heavily dependent on agricultural exports than the high-income countries, much more room should be made for these exports - both raw materials and processed products - in the markets of the richer world. This view, unfortunately, did not win general acceptance.

I would not go so far as to say that UNCTAD III was a failure. There was after all an agreement that the developing countries should participate in negotiations - such as those on monetary reform and in GATT - hitherto largely reserved for high-income countries, and in particular, UNCTAD itself was asked to assist the developing countries in their participation in the 1973 GATT trade negotiations. But on balance, there was clearly a reluctance on the part of the developed countries to give practical effect at that time to some of the commitments they had already subscribed to in the International Strategy for the Second Development Decade. It was said that the moment was not a propitious one in view of the important monetary and trade negotiations that are in the offing. Let us hope, Mr. Chairman, that this is true and not just another excuse.

In any event, I can assure you that FAO will continue to strive for a better deal for the developing countries in their agricultural trade. This is, I believe, a duty fundamental to our whole purpose. But having said this, I would now like to place the question in a more general setting.

To begin with, FAO, in its efforts to advance the just interests of the developing countries in their agricultural trade, must also show understanding for the situation in the developed ones. Indeed, as an international organization, our objective is to serve the best interests of all our Member Countries so far as we can. In the present context, this means that we should above all be searching for policies that will help to reduce the present imbalances and distortions of world agriculture and to bring about a more healthy and harmonious pattern of international partnership in all that concerns it.

It is thus very fortunate at this juncture that the FAO Conference should have authorized us to proceed with our preparatory studies on international agricultural adjustment. One such study has already been produced, I am glad to say, as a result of a recommendation by the 1969 session of the Conference on the Perspective Study of World Agricultural Development. This is the study on agricultural adjustment in the developed countries which was first presented to the European Regional Conference last month. Although the study is primarily concerned with the developed countries, it moves logically to what it deserves as the "world dimension", since the kind of structural and market adjustments that are needed in those countries are inescapably linked with the problem of trade expansion. And, since in the world of today the problem of trade expansion cannot be limited to any one geographical region or any one set of countries, the study has a number of things to say which are of great interest to the developing countries as well as to the high-income ones. For example, it calculates that, if the agricultural self-sufficiency ratios of the developed countries were reduced by as little as about two per cent - and these countries, taken together, are very nearly self-sufficient in agricultural products which they grow themselves - there could be an increase of about \$4 billion worth of agricultural exports a year from the developing world.

Indications such as these show the great potentiality of serious analytical work on agricultural adjustment for finding possible solutions to the problems which now confront world agriculture. I might add that the studies that are being made in preparation for the 1973 Conference could be a useful basis for identifying objectives and guidelines for negotiations in GATT or UNCTAD, which are the agencies primarily responsible for trade matters and with whose executive heads I have already had some useful discussions on the adjustment question. But I should also like to say that our work will not end with the 1973 Conference, which will in fact only take preliminary stock of the situation. For it is clear that the problems which call for adjustment will not be solved overnight. Most of them are long-term problems and adjustment is going to be a long-term process.

Mr. Chairman, I should now like to turn to the social aspects of agricultural growth and rural development, which are at the very centre of our preoccupations at this time. I need hardly say to an audience such as this that while FAO will keenly pursue its endeavours in relation to social issues, the main responsibility for resolving them lies with countries themselves. You are, I know, vitally aware of the importance of these issues. This was shown among other things by the thoughtful and constructive way in which your delegations contributed to the lengthy discussions at the last FAO Conference on the Report of the Special Committee on Agrarian Reform. One of the most important features of this Report and the discussions on it was that it was made clear that the concept of "agrarian reform" covers most aspects of rural development, including such matters as rural unemployment and the need for improved rural institutions and infrastructures - all of which are matters of vital concern to this Region.

You are also, I know, aware of the less frequently appreciated fact that agricultural growth and rural development may not always be the same thing. In other words, there are times and places where, in the short run, the claims of social justice may have to take precedence over production objectives. There are areas which are still so backward that in the early stages of their development, investment cannot yield any commensurate economic returns. But the people of these areas cannot be allowed to simply stagnate in their misery. It is socially, and therefore morally, essential to assist them.

In view of the fact that earlier in the speech, I laid stress on the need for the developing countries to maintain an adequate rate of growth in agricultural production, it may seem strange that I should now accept that it may sometimes have to take second place. But there is in fact no contradiction. The urgency of increasing production still remains. It is just that social problems may sometimes be more urgent. It may be that in some areas, virtually nothing can be done to increase production unless these problems are first resolved. What is needed, therefore, is a redoubled effort - to increase production where it is lagging and at the same time, where social obstacles stand in the way of doing so,

to set about removing these immediately. Economic necessity and moral necessity must be interwoven. I know that this is certainly not easy. It can only be achieved by combining an integrated approach, which looks at all the economic and social factors involved, with a selective one which evaluates the needs of individual areas and sets of circumstances.

What we should be aiming for in fact, is nothing less than a concerted drive towards integrated rural development in all its senses. I should like to refer to a few aspects of this which seem to me to be particularly relevant to this Region.

At the beginning of this statement, I mentioned that the most significant features on the agricultural scene in the developing countries of Asia and the Far East are clearly the tremendous size of population and the technological progress that is being made in several of them. The social aspects of agricultural growth and rural development in this Region can thus most usefully be looked at in the light of these two factors.

I do not need to dwell long on the population problem. It is only too well known that uncontrolled growth of population on this continent, in rural areas and elsewhere, would aggravate beyond endurance, problems which are already appalling in their human consequences. The urgent need for population control in this Region is so starkly clear that it hardly needs to be argued further. I would just like to say that much might be learnt in this respect from the experience of the People's Republic of China where, according to information which we have received, the net annual population growth rate had been brought down to 1.5 per cent by 1964 and is now somewhat lower still - possibly as low as 1.2 per cent.

With regard to the Green Revolution, we are all aware of the various limitations on its progress - the fact that it has barely penetrated into dry land areas, the shortage of the fertilizer that is needed and so forth. Perhaps, most important in the present context is the tendency that has developed for it to benefit large-scale farmers rather than poorer ones. If this is not corrected - and also indeed if ways are not found to enable the dry land areas to benefit more - the Green Revolution, for all its promise, will increasingly aggravate social discontent rather than reducing it. There has rarely been a clearer case of the need for technological innovation to be accompanied by measures for social improvement.

The kind of measures that are needed to bring about a better social balance in the rural areas of developing countries in this Region are well-known. But it may be useful to cite some of the more important ones again. Among the main elements to which is often urged that governmental and other authorities should devote special attention are the following: security of tenure; fair rents; the effective application of limitations on the size of large estates; a decent minimum level of farm wages; rural credit services for those who need them most; improved extension services; and a very much stronger drive to tackle rural unemployment, notably through public works programmes.

I am glad to say that several countries are embarking on measures or programmes to deal with some of the factors I have mentioned. India, for example, which has to face the kind of problems involved on a far larger scale than elsewhere, has developed a number of special programmes to aid the needy in rural areas - programmes for small farmers, marginal farmers and agricultural labour, drought-prone areas, dry land agriculture and, since April 1971, a crash programme for rural employment. Initiatives such as these will be increasingly necessary in developing countries in the course of the 1970's, since there is every likelihood that their rural social problems are going to increase and intensify for some time to come.

The last general question related to world agriculture which I should like to mention today and with which FAO has been increasingly occupied since the last session of the Conference is that of the environment. Environmental problems, as you know, have always been of major concern to FAO due to the very nature of its work. However, with the

United Nations Conference in Stockholm, new impetus has been given to the world's search for solutions to the grave threats involved. I believe that this was a most successful Conference. Notably, it recognized the link between the environment and development, which was something that had been forcefully brought out beforehand in the pre-Conference meetings held in this Region. There was ample understanding of the need for the developing countries to accelerate their development in order to solve their environmental problems and improve the quality of life of their peoples. In my own statement at Stockholm, I stressed that everything must be done to increase the food production of these countries, which implies the full and proper use of modern technology, adequate to the conditions and requirements of each country. At the same time, I said that I recognized the threat to the soil and the seas which increased food production entails. There is no doubt, therefore, that the search for a solution to this dilemma is going to have considerable repercussions on some of FAO's programmes.

It emerged from the Action Plan adopted at the Stockholm Conference that much of the work to be done and described in this Plan will require the active participation of regional bodies. FAO's Regional Offices will, of course, be prepared to assume the part of this responsibility that devolves on them. Their co-operation with the Regional Economic Commissions of the United Nations, already very close in economic and social matters, will now extend to problems of the environment.

In discussing the various agricultural and rural problems of the countries of this Region, I have indicated the obvious fact that the solution to most of these problems lies mainly in their own national policies, although in one or two cases - such as trade - even more depends on the policies of the high-income countries. At the same time, I have also referred to FAO's capacity to be of assistance to the developing countries in partnership with them. I would like to enlarge on this for a moment. I am convinced that it would be to the advantage of both the developing countries and FAO if this idea of partnership were to be further strengthened. The more FAO knows about the problems of the countries, the more effective its activities will be in relation to their national policies and planning in the agricultural sector. I am thus taking steps to make these activities much more country-oriented, chiefly through what we call country perspective studies. These will start from a quantitative analysis of supply utilization accounts and alternative demand and supply projections. They will include working notes on the various sub-sectors and selected major development problems and constraints in each country concerned. They will also contain a review of existing programmes and projects, leading up to a brief analytical summary of the country's main agricultural development problems and needs and putting forward alternative strategies that might be followed. Governments will, of course, be fully consulted at various stages in the preparation of the studies, and I hope that this whole initiative will meet with a co-operative response from them.

Mr. Chairman, I must now deal with the present situation of the Organization as it has developed since the last Conference. It is an exceedingly complicated one, and I can only hope now to cover it in broad outline.

Earlier in this speech, I referred to the fact that the discussions at the Conference in November, together with the looming financial crisis, made me decide around the turn of the year that there would have to be an immediate and stronger sharpening of FAO's priorities. The two factors underlying this decision must be seen in conjunction. If, as was suggested at the Conference - and as we have also sometimes felt ourselves - FAO is trying to do too much and spreading its limited resources too thin, there was already clearly need to review our priorities and be prepared, if necessary, to switch resources from activities of less vital importance for the purposes of the Organization to those which had a higher and more pressing claim. When, on top of this, we found ourselves faced in the last few months with a serious financial crisis, the need became still more urgent.

I do not wish to say too much about the details of the financial crisis at this moment. The present outlook is still uncertain. Briefly, however, we now estimate that, if we failed to take economy measures, we would have a deficit of about \$7 million on the budget for the biennium of \$86 million as voted by the Conference. This is due to two factors over which we have no control - firstly, the recent changes in currency rates, notably the devaluation of the dollar; and secondly, the acceleration of general inflationary pressures far more rapidly than we could have estimated when the budget was originally drawn up more than a year-and-a-half ago. In addition to this deficit of \$7 million, there is still some doubt, which first became apparent in May but which I trust will soon be satisfactorily resolved, as to whether national legislative approval will be given for our largest contributor to pay the full amount of its contribution for the present biennium 1972 and 1973. In the worst case, this could result in a further loss of about \$5 million. At the same time, for rather complicated reasons which have their roots chiefly in the past, we face considerable and increasing difficulties in keeping within the allocation of agency overhead costs for support of our field programme.

In the light of all these factors taken together, we were confronted in the spring with a situation which compelled us, as a matter of prudence, to take urgent and rather drastic action, most notably the imposition of a 10 per cent cut in the allotments to Headquarters divisions and Regional Offices for 1972 and 1973. I will return to this in a minute.

I should first like to say, however, that we were fortunately not taken entirely off balance. For one thing, although we could not have anticipated the full possible dimensions of the crisis, we had of course been aware for some time that financial pressures were building up. Accordingly, we had already started applying certain economy measures on such items as travel, purchase of equipment and so forth.

More important, we had already undertaken the review of priorities which I had decided on. Early in this year, I set up a Group on the Objectives and Policies of the Organization, more popularly known as the Think Tank, which included members of the staff from all over the Organization and at varying professional grades. In order to translate some of the useful long-term suggestions of this Group into practical programme terms, I reconvened our Inter-Departmental Working Groups on the Areas of Concentration - which I now prefer to call Areas of Emphasis - and asked them to re-assess our priorities. I will refer in a minute to some of the general lines on which we are proceeding as a result of this exercise. The point I wish to make now is that the main objective of this review of priorities was to achieve a degree of flexibility which will enable the Organization to respond to the main challenges of the future in a realistic and adaptable manner. And one of the advantages of having such a degree of flexibility is that it makes it easier, when necessity arises, to make savings in a more logical way by reducing activities in programmes of lower priority. To be sure, this will not solve our present financial difficulties nor greatly mitigate the harshness of the cuts we are now obliged to make. But it will at least place the process of making such cuts in a more rational setting. It is for this reason that I have said that we should look at the present financial predicament and our review of priorities in conjunction.

Now, what will be the effect on the Organization of the present 10 per cent cut? In very general terms, there will be a reduction in some programmes, because the savings we are obliged to make mean that we shall be unable to keep on a number of staff with short-term and fixed-term contracts when these contracts come to an end. Not all the details have been fully worked out, and it is in any event too detailed an operation for me to be able to report on in a statement like this. Of more general concern to this Conference, I think, is the question of what is going to happen to the Regional Offices under the present circumstances.

Generally speaking, I believe that this is another question which must be viewed in terms of priority functions rather than purely financial considerations. I myself am convinced that we need a clearer definition of the role of the Regional Offices, in order to delineate their responsibilities vis-à-vis those of Headquarters and those of our Country Representatives. I take the view that henceforward this role should be strengthened as regards the Organization's policy and programme formulation. Since I took office as Director-General, I have followed a clear policy designed towards increasing the influence of the Regional Conferences in the selection of the Organization's priorities and formulation of its programmes. For this purpose, the Regional Conferences require the support of the Regional Offices to assist in analysing the definitions of problems and problem areas. I feel that the Regional Offices should be strengthened to fulfil this function with high professional competence, but that they should correspondingly give less emphasis than in the past to direct technical assistance activities of one kind or another, which can be supplied with other resources at the call of the Organization and foreseen in Country Programming. This would imply a revision in the structure of the Regional Offices. What I broadly have in mind is a more flexible structure, in which there would be a permanent nucleus of high-level people skilled in policy and planning matters with technical officers being provided to the Regional Offices, as and when necessary, to handle definite, specific assignments for specified periods of time, depending on the assignment involved. This would, I believe, produce a more practical, as well as a more flexible, approach to technical problems in the Regions, and would also free resources for consultants, for meetings and for travel by staff in the Regional Offices to enable them to carry out their functions more effectively by more frequent direct contact with the countries they are serving. Such a revised structure would, I feel sure, strengthen the role of the Regional Offices and enhance their value to the countries of the Regions.

These, then, are my own general views on the future role and functions of the Regional Offices. However, as you may know, I requested our former Deputy Director-General, Mr. Pierre Terver, to prepare a study on this subject. This study was finalized by Mr. Terver only a short while ago in time to be distributed to the members of the Programme and Finance Committees, which have just met at our Headquarters. Unfortunately, it was too late to make it available to the Regional Conferences. But I need to have your views regarding your own Regional Office, as I have now the views of the preceding four Regional Conferences on their Regional Offices. Your views will help me to come to decisions that will best reflect your interests.

I shall shortly be meeting in Rome with my senior advisers, including the Regional Representatives, who will have learnt from the Regional Conferences the opinions of the delegations. After listening to their advice - which is of course particularly important to me in view of their intimate knowledge of the needs of the Regions - I will prepare my recommendations on the subject of our regional structure for the next session of the Council, which begins on 20 November.

At this point, I would also like to refer briefly to certain measures which are being put into effect at Headquarters as a consequence of our review of priorities. Firstly, there is the fact that we are centralizing responsibilities for co-ordinating FAO policy analysis on all aspects of agricultural development in what is now to be known as the Economic and Social Policy Department. The unifying point in the Department is to be a new Policy Analysis Division, comprising elements of the former Economic Analysis Division and the Policy Advisory Bureau. Next, in response to the high priority which our governing bodies have placed on the mobilization of human resources, I am strengthening the policy work of the Rural Institutions Division and have decided to re-name it the Human Resources and Institutions Division. Finally, in order to improve our field operations, I have established a Field Programme Review Board, which will be responsible for directing the study of measures to improve project delivery and execution and will provide a continuing review of the field programme, its problems and the policies guiding it. This, I might say, is additional to the steps already taken to adapt ourselves to the new UNDP methods of operation.

Let me now speak more generally about this matter of priorities to which I have been constantly referring in this speech. By way of preface, I think it needs to be said that a review of priorities should not be regarded as an acknowledgement of possible errors in the past. Such a review, in my opinion, is part of a constantly-needed process of organizational adjustment to the ever-changing conditions of our time. It is quite clear that the focus of our work as it was in the past no longer covers the broad range of our present and future responsibilities. Indeed, in the nature of things, it could not. We are all the time confronted with problems - either new in themselves or new by reason of their increasing magnitude, urgency or complexity - which an international agency such as ours must take into account if it is not to become sterile or lose its impact.

Mr. Chairman, in speaking a little earlier about our review of priorities this year, I referred to our objective of achieving greater flexibility. In addition to this, we have of course been guided principally by the criterion of making our activities as responsive as possible to the needs of our Member Countries. In the course of the exercise, a large number of activities of lower priority have accordingly been cut.

I should make it clear that the Organization's basic strategy within which our priorities are determined is still the Areas of Concentration - although I now prefer to call them Areas of Emphasis, since this is a more accurate description of them. It may, of course, be necessary to re-define the Areas of Emphasis in the light of circumstances, and we are indeed already proposing certain adjustments in our new revised programme structure. Moreover, certain of our broad priorities concern more than one Area of Emphasis. Examples of these, which I have already dealt with, are the need for much greater agricultural research in the developing countries, international agricultural adjustment, the whole range of social problems affecting rural development and the question of the environment.

It is thus on the basis of our priorities framed within the structure of our Areas of Emphasis that we are building up our short-term plans - in the Programme of Work and Budget - and also our longer-range policy - in the Medium-Term Plan.

The forthcoming versions of both these documents will be somewhat different than those produced on the last occasion. So far as the Programme of Work and Budget is concerned, I am proposing in the first place, in line with the views of the Conference, to reduce the number of substantive sub-programmes. At the same time, we shall be including in the narratives for the sub-programmes references to medium-term perspectives as well as a statement of the immediate objectives for the biennium. Finally, the programmes and sub-programmes for the biennium will be presented in a much fuller and more precise programme budget form.

With regard to the Medium-Term Plan, the previous version was to a very large extent an extrapolation of the Programme of Work and Budget, presented in the detailed form of programmes and sub-programmes. It was in fact so detailed that it somewhat obscured the broader policy perspective for the medium-term. The new version will be more concise and will take an integrated approach to policy issues and programmes as a basis for future Programmes of Work and Budget up to the end of 1979. It will in fact be much more of a development policy document.

Let me now say something more about the present Medium-Term Plan covering the years 1972 to 1977. This was, as you know, presented to the Conference last November, where it received general approval. I might add that FAO is one of the pioneers in medium-term planning among the agencies of the United Nations system. However, as was only natural at a gathering of the size of the FAO Conference, difficulties arose as to the relative priorities to be attached to the various programmes and sub-programmes set forth in the Plan. The Conference thus turned the matter over to the Committees of the Council - on Agriculture, Fisheries, Forestry and Commodity Problems - in the hope that they will be able to come up with recommendations for priorities that could be judged in the first instance by the present series of Regional Conferences.

Unfortunately, not only were similar difficulties on the choice of priorities encountered at the meetings of these Committees that have now been held, but the whole procedure leading up to a presentation of recommendations to the Regional Conference has been overtaken by events. As I have already recounted, we were being driven by the gathering financial storm, which was one of the things that made me realize that I must myself take some action on re-ordering FAO's priorities without delay if the Organization was not to lose a clear sense of direction. This action has not yet been fully completed.

In these circumstances, I think that the most valuable thing that this Conference can do with regard to medium-term priorities is to work on the basis of the paper that has been prepared by the Regional Office on proposals for the Medium-Term Plan and related activities, together with the new overall approaches I have mentioned today. In the light of these elements and other ideas which countries themselves may have, this Conference could then examine those development problems in this Region which it seems feasible that FAO could tackle with its foreseeable resources and with an expectation of making a real impact, whether on a global, regional or national basis.

I would urge that this be done bearing in mind also what I have said about the way in which I think the Regional Offices should be strengthened. The definition of priority problems in the Region by countries themselves could have an important influence on this revision of the Regional Office structure.

This, Mr. Chairman, brings me to the end of my remarks today. As always when I am in this Region, I am conscious of the great, pulsating force of so many millions of human beings striving for a better life for their children than their fathers ever knew. I am conscious of the resolve in the countries of Asia and the Far East that their reserves of wisdom, so often trifled or tampered with in the past, shall become a new source of strength for prosperity and peace. Above all, I am conscious of their profound sense that all humanity belongs together.

Thank you.

APPENDIX F

STATEMENT BY THE ASSISTANT DIRECTOR-GENERAL/REGIONAL REPRESENTATIVE

Mr. Chairman, Excellencies, Distinguished Delegates, Ladies and Gentlemen,

It is an honour for the FAO to hold this Eleventh Regional Conference here in this beautiful Garden City of New Delhi. The choice of this city as the venue of this Conference is in itself symbolic, inasmuch as India possesses such an immense wealth of development experience, particularly in agriculture, which she is in a good position to share with the other Member Countries of the Region. For my part, it is a distinct pleasure, on behalf of the FAO and the Eleventh Regional Conference, to extend a warm welcome to the Member Countries now represented in this Conference. I offer special greetings and warmhearted welcome to the new members of our FAO family from Fiji, and the Maldives as well as to our distinguished observers from Bangladesh, whose membership of FAO we sincerely hope will be approved by the FAO Conference next year.

I am especially grateful to the Director-General, Dr. Boerma, who despite his many commitments and the heavy demands on his official schedule, has most graciously taken the time to attend this Conference. Likewise, I appreciate highly the presence of my esteemed colleagues from our Rome Headquarters. Their presence is both heartening and inspiring.

I wish to take this opportunity to express our heartfelt thanks and deep appreciation, on behalf of FAO, this Conference and myself, for the excellent arrangements made by the Government of India and for all the effective co-operation and assistance extended to us in organizing this Conference. To His Excellency, the President of India, we are deeply grateful for the honour of inaugurating this Conference and for his inspiring address which, I am sure, will guide our deliberations in this Conference.

As we gear ourselves to tackle the problems and issues set before this Conference, allow me to invite your kind attention to the emerging realities in the world at large and of the Asia and the Far East Region in particular.

What Are These Emerging Realities?

First, the membership roll of FAO has trebled since 1945 is well known. But what is more significant is that the new membership is made up mostly of former colonies and developing countries with post-colonial economies. They are now striving hard towards national identity and regionally oriented development, and adopting economic diversification and industrialization as their goals.

Second, China's accession to the United Nations and the likelihood that it will henceforth play an active role in the affairs of the Region is of great consequence and will have to be prepared for.

Third, the magnitude of the aid and technical assistance required by the war-damaged countries of Southeast Asia deserve the highest priority at the end of hostilities. Compounding the situation would be the problem of providing gainful productive employment for almost half a million soldiers who will have to return to non-military status.

Fourth, the need to pay special attention to the least developed among the developing countries of the Region in accordance with the resolutions of the General Assembly of the United Nations and the recommendations of the Third United Nations Conference on Trade and Development.

Fifth, the worsening land shortage in the Region, manifested by a man-land ratio of only about one-third hectare of arable land, the lowest figure among all the five regions, and which is steadily declining further as indicated by the Indicative World Plan of FAO. A worsening situation may be expected in the late Seventies. The steadily increasing volume of the labour force accompanied by further subdivision and fragmentation of land-holdings stemming from the inheritance system will result in a larger number of small peasant farmers, tenants and landless labourers. All these may be expected to contribute to a much higher incidence of unemployment and under-employment and the attendant mass poverty in the rural areas.

Sixth, the growing awareness of the critical need for agrarian reform in the Member Countries of the Region may be likened to onrushing flood waters posing a serious threat to the dykes of a reservoir. Contributing factors to this keen awareness are the consistently swelling rural labour force resulting in the alarming high incidence of rural unemployment and under-employment; the widening inequalities in the distribution of national wealth, particularly of land and production income; the growing poverty despite the advent of the Green Revolution; the uncontrolled population drift towards urban centres, which is more an indication of rural frustration rather than of economic development; and the revolution of rising hopes and expectations among the rural population. All these have set the tone of urgency for agrarian reform which is long overdue in several countries of this Region.

Seventh, every year during the last five years, nature has been harsh to many countries of this Region. Millions of people suffered the pangs of misery, privation and want due to catastrophes imposed by nature - typhoons, floods, droughts, earthquakes and widespread disease and pest infestations. After each catastrophe, there is the ponderous problem of rescue, relief and rehabilitation.

Eighth is the continuing plight of countless millions suffering from malnutrition and under-nourishment. Ironically, it has become more and more evident that malnutrition is more a function of the maldistribution of purchasing power and availability of health services than of the actual supply of food.

Ninth is the unexpected problem relating to pest and disease control in plants and livestock attendant on the Green Revolution. The highly intensive cultural practices required by the high yielding varieties have resulted in drastic changes in the ecological system giving rise to radical shifts in the composition and intensity of the endemic pest population. High yielding varieties have been found to be comparatively more susceptible to the attacks of pests and diseases. However, the attendant heavy usages of pesticides and herbicides have induced toxicity to man, domestic animals, fish and wildlife in rather alarming proportions. Also, the gradual development of resistance to certain pesticides of some plant and animal pests has introduced a new challenge to plant and animal protection schemes.

And lastly, the growing unfavourable imbalance between agricultural exports and agricultural imports cannot be ignored. The agricultural exports of Asia and the Far East have incurred significant decreases compared to those of the other developing regions. Nor have the terms of trade between agricultural exports and imports of manufacturers shown any improvement.

If this Regional Conference were being held ten years ago, its focus would have been very much different. In the early Sixties, the spectre of hunger together with the accelerating population growth was then creating a gloomy prospect of famine in several parts of this Region, if this trend could not be changed. Our objectives would have been stated in terms of attaining more rapid agricultural growth and self-sufficiency in food. But our objectives are no longer just these. For the perspective against which we examine agricultural and rural development in the current Development Decade is quite different from that of ten years back.

To a certain degree, this difference is due to a much more sophisticated perception today of the type of progress required in rural and agricultural development against the backdrop of unprecedented population growth. But one of the important reasons for this change in perspective is the advent of the Green Revolution, and agricultural breakthrough that started during the late Sixties.

Asian agriculture is now in the throes of the Green Revolution which is claimed as an achievement of equal significance to the Industrial Revolution or the landing of man on the moon. While the Green Revolution has not solved the food problems of this Region, it has, however, radically changed the background against which we examine agricultural development in the Seventies.

In the past Development Decade, the two major objectives emphasized were rapid agricultural growth and food self-sufficiency. The Asian agricultural programmes achieved or exceeded the goal set by the first Development Decade of four per cent agricultural growth rate which outstripped population growth. Food availability rose in most countries. But relative stagnation in rural development persists in many developing countries. It is becoming increasingly apparent that agricultural development as reflected in national statistics of increased production does not serve as an accurate indicator of human progress in the rural areas. Progress for the rural dweller who comprises 80 per cent of the population of this Region does not inevitably follow increased agricultural production as had been expected. Nor has it been for the urban dweller. Most of the developing countries of Asia demonstrate the need for a broadened agricultural development programme, one that provides more than growth.

From the Member Countries I have visited in the Region, I gathered that what they desire is that type of development with a humane focus, one with a broader perspective based on social justice, self-reliance and economic growth, and one that will enhance human dignity and happiness. They cannot be blamed for their cynicism of the present concept of development, because the approach to most development programmes in the past was to adopt uncritically models and measures designed for industrially-developed countries of the West. Such an approach seems neither suitable nor desirable. For what is elixir to developed nations may turn out to be poison to the underdeveloped ones. While we can learn from the development experience of the western countries, we need not necessarily duplicate their experience. Instead, we of this Region should chart our own suitable pattern of development and set up our own applicable criteria for evaluating the validity of such a pattern. This concept is imperative because of the unabated and in fact, more serious widening disparity of income distribution between the rural and the urban sectors, between the industrial worker and the hill tribes, between the developed and developing countries in the Region, and compounded on the global scale in the overall imbalance between Asia and the West.

What Then Are Our Current Objectives of Development In This Region?

If the goal of development is something more than growth, which according to the Director-General, Dr. Boerma, is in terms of improving the quality of life of the people, especially the rural populations; and if we must concern ourselves with the elimination of poverty and human need which, according to the Prime Minister, Mrs. Indira Gandhi, are the worst pollution of mankind, and considering that the attainment of these concepts of development depends on the creation of more employment, an equitable distribution of resources, services and opportunities, the reduction of malnutrition, protection of the environment and conservation of natural resources, and decelerating population growth; and considering that our number one resource which we have in abundance in the Region is human capital, what then should be the aims and strategies of agricultural development policies and measures in this decade?

Determine Their Own Priorities

Although Asian countries may have several problems of development in common, in the last analysis, each developing country in this Region must assume the principal responsibility for determining its own priorities and strategy of development. Each strategy must take into account not only economic factors, but also social and political traditions. The country must make numerous practical though painful decisions in order to arrive at priorities so that things of primary importance should come first. While any attempt by a developing country to solve the problems of poverty and to achieve faster economic and social growth may be enhanced by injections of external capital and know-how, it will, however, be never quite adequate.

Stabilizing Production

Every year many countries of this Region suffer from serious setbacks in production due to natural hazards and calamities like floods, droughts, typhoons, earthquakes, and pest and disease infestations. Such vagaries of nature not only set back for several years national economies, but do cause untold sufferings to the people. In fact, this year the overall production of rice of the whole Region has declined significantly despite the widespread use of high yielding varieties because of these natural calamities.

To achieve rapid stabilization of production under these adverse circumstances, measures to establish buffer stocks of seeds, fertilizers, and pesticides should be undertaken. A practical agricultural credit programme should be established and pest and disease surveillance should be strengthened. It also calls for the development of very short early maturing varieties that can produce a good crop and resist pest and diseases under adverse climatic conditions.

Judicious Use of Pesticides

Pest and disease control which have changed in urgency and complexity with the progress of the Green Revolution should be undertaken with greater understanding of the overall ecosystems operating in an environment. Problems of pesticide residues and environmental pollution are currently alarming and widespread. Yet pesticides are essential to modern progressive agriculture and public health and will thus continue to be utilized for many more years to come. Judicious utilization with built-in safeguards to preclude jeopardy of human life and safety deserve serious concern at all times.

Limiting Population

Since the future of development in this Region depends greatly on whether or not the population explosion continues to be out of control, any discussion on rural development strategy cannot overlook the subject of population control. A great deal has been written about the effect of population explosion on the need for more food, more schools, more jobs. So much effort has been devoted to research on finding better pills and other birth control measures and on devising ways to make these devices more available to the general public. But so little attention has been given to the fact that the countries that have achieved a substantial reduction in their birth rate with family planning programmes attained such breakthroughs only after a substantial improvement in the economic situation and the way of life of the general populace had set in. In virtually all countries where family planning has been successful thus far, the birth rate started to decline because of broader base development programmes which were established before family planning programmes were introduced.

Minimizing Malnutrition

Very often malnutrition is approached in isolation rather than as an integral part of the development process. This has resulted in an abundance of largely therapeutic programmes rather than long-term preventive measures. The real root of the problem is poorly distributed purchasing power. If nutrition improvement is to be a major objective of development, programmes must be aimed at effecting equitable distribution of purchasing power, self-sufficiency in food, and the improvement of health services. Ingested food energy is seriously wasted among the rural poor in two ways. The first is the failure of the body to absorb food efficiently because of the intestinal parasite infestation; the second is the effect of fever in accelerating protein and calorie metabolism which produces secondary malnutrition.

Judicious Consumption

In plain and practical terms, meaningful progress is better measured in terms of the favourable balance of output over input. In the initial stages of development, one should strive for modest wants, modest taste and simple contentment commensurate with the available resources and ability to produce. There will never be any appreciable progress under a way of life characterized by luxurious consumption and unproductive affluence.

Educational Reform

Agricultural education must be education for development. Agricultural education and training in developing countries must concentrate on the job of meeting the actual current training needs of the rural population with focal emphasis on those already engaged in production, the adult farmers. The needs, problems and aspirations of the farming people are the only valid basis of education and training programmes for rural people. Agricultural courses should be revised to make them truly responsive to the economic, sociological, cultural, legal and engineering needs of the rural sector. Syllabi and curricula of schools and colleges of agriculture should include the study and discussion of the technical, economic and social aspects of agrarian reform. Students and teachers alike need to consider each discipline in relation to changing needs and aspects of the agrarian situation.

Greater emphasis should also be placed on the middle level type of training which has unfortunately been neglected thus far. Skilled technicians in agriculture are a very important element in a modern progressive farming structure, but there is an appalling lack of well trained agricultural technicians in all the developing countries of Asia. Both higher education and vocational agriculture education in the secondary level have thus far failed to produce the urgently needed number of agricultural technicians. A shift to middle level training is urgently called for. This emphasis would provide a balance to extreme specialization and decrease the cost of both higher education and vocational secondary education.

Administrative Machinery and Co-ordination

When the policies, plans and programme of development are at last formulated, the country must develop the firm determination and political will to establish the appropriate organization, machinery and efficient management procedures needed to implement the development strategy and effect the needed co-ordination of development activities.

Wider View of Rural Development

Rural development needs to be rethought even if only minimal needs are to be met. But this thinking cannot be confined to ministries of agriculture alone because it is not merely a matter of better credit facilities, agricultural extension programmes, but also to an important degree, the designing of an overall development strategy which includes

education, peace and order, health and transportation in order to distribute equitably the benefits of economic and technological progress to the entire population. Growth is imperative but it is certainly no longer sufficient without a system designed to achieve rapid growth as well as distribute the benefits of growth more equitably.

It is said that "aid programmes for rural development are like a piece of rope which cannot be pushed into a community, but can be used only by pulling it. The community must be prepared to desire and adopt innovation in technologies and life styles."

Extending the Green Revolution

We must take note that the Green Revolution is not merely aimed at producing more food or achieving food self-sufficiency. Its real purpose is to attain development in terms of producing more quality food at lower prices while raising the incomes of rural dwellers. However, it is now recognized that the Green Revolution has generally failed to benefit the small and marginal farmers especially those in the rainfed and upland areas. Extending the benefits of the Green Revolution to these areas should be considered as an urgent priority programme for the next decade.

Too long have we heard the argument that the small farm is "uneconomic" and that rapid development can take place only through bigger farms. Since small farmers operate the greater portion of cultivated areas in many countries of this Region, no development policy in Asia can by-pass them. We either grow through them or we do not grow at all. Moreover, many a study and experience show that the rate of productivity achieved on the small farms of Japan and Taiwan has never been achieved in the most successful big farms of the West. This means that these small farmers make more efficient and economic use of their scarce resources in the context of land-hungry Asia. If productivity cannot be built on small farms, it is not the fault of the farm structure or of the farmer, but of the policy makers and planners who do not provide the progressive rural structure that will render the small farms viable.

Such a programme will include more effective training of extension workers, provision of needed infrastructural improvements (roads, transport facilities, storage, processing plants, etc.) and the promotion of farmers' organizations in the villages. Private enterprises and voluntary agencies working side by side with the government in providing a progressive rural structure will help make the small farms more productive, dynamic and flexible. Most of these measures designed to uplift the small farmers point to the urgent need for radical agricultural policies including a bold and courageous programme of land reform.

So that the Green Revolution will also touch the rainfed and upland areas, there is the need to develop new high yielding varieties of crops for these areas. These varieties should have a wide range of adaptability, early maturity and maximum yield with minimum application of inputs since farmers in these areas cannot afford heavy applications of fertilizer and pesticides.

Effective Agrarian Reform

Agrarian reform requires a re-structuring in tenure and of production and supporting services. An agrarian reform programme can only be effectively implemented when a determined political will prevails and is carried out by strengthening the organization and management of land distribution, enacting the needed legislation to implement the programme, adequate attention to land records and supporting services, implementing wage regulations for farm workers and promoting farmers' organizations. There should also be continuous research followed by the dissemination and demonstration of new technology at farm level.

To ensure the participation of small farmers in development, they should be provided with credit and other necessary inputs linked with extension and training. Agrarian reform also calls for the organization of farmers into associations, the involvement of women and rural youth, reorientation of education and training, and land consolidation. It calls for the generation of employment in the rural sector through agricultural diversification, mixed farming, land settlement programmes, agro-industries and rural public works.

Realistic Industrialization

From the point of view of a developing country, agricultural development is a pre-condition to industrialization; agricultural development is in the nature of the cause and industrialization, the effect. Unfortunately, most people are in such a great hurry that they prefer to begin where other people end. For instance, the industrialist would like to produce milk. But does he start by raising dairy cows? No. His procedure is by importing powdered milk from which water was removed at the point of origin and then upon arrival, water is added to the powdered milk, canned and sold as reconstituted milk. This type of industry eats up the country's foreign exchange reserves and is adverse to the interest of local agriculture and prejudicial to the local farmers. Consequently, the rural masses are further impoverished while the industrialists become richer. This is, of course, not the kind of industrialization wanted in developing countries. They need this kind of industrialization like they need a hole in their head. Instead, industrialization should start with agriculture, by building factories that will process agricultural products and other local raw materials into various finished products and by-products. With this type of industrialization, the income of rural people will increase as factories are put up, and at the same time, they will be in a position to buy the products of industry.

As much as possible, the import-substitution industries should be replaced by those that produce semi-finished products or finished products for export. Industrialization should shift in emphasis from the production of luxury consumers' goods for the wealthy to the production of essential consumers' goods for the mass market and the production of simpler types of capital goods for the rural people. The luxury goods purchased mainly by the rich tend to be capital-intensive, whereas the goods produced for the poorer masses normally require more labour to produce and thus create more employment.

Tempering Modernization

It is, of course, desirable and imperative that we Asians keep up with progress. In our rush to modernization, however, we should see to it that our cultural, religious, social, ethical values and traditions as Asians are retained if not enhanced. The quality of our traditional human relationships and values need not be regarded as incompatible with modernization. There are more desirable ways of modernization than those which attend the urbanization process that we see today. It is not the modernization that results in concrete and steel cities that are crowded, noisy, polluted and virtually the centre of social ills that we want. Among its undesirable consequences are the breaking up of close family ties, the absence of neighbourliness and the sense of humanity, and the fostering of an impersonal, apathetic attitude towards community welfare. On the other hand, we can have modernization through the development of what may be called "growth centres" which are widely dispersed small-sized modern community units where factories are scattered in the rural areas among small communities. Transport is maintained from the factories to the villages to avoid population drift to the urban centres which is not desirable. The production scheme of the growth centres will be linked to the urban areas and industrial districts and the excess farm labour could be harnessed for gainful employment. Among the desirable consequences of this type of modernization is the preservation of the traditional family unity, to a great extent fostering healthy home life, more available free space, more healthful surroundings and at the same time, a retention of the human and other values and Asian traditions that we cherish.

Appropriate Technology

In the process of development, the utilization of labour-intensive technology or the establishment of labour-intensive industries, the utilization of locally available labour and raw materials should be a basic guideline. In utilizing technical and social technology that had been developed to meet western needs to satisfy the requirements of a developing country, the process of adaptation rather than adoption, meets with greater effectiveness.

Highly capital-intensive technologies are much less relevant to development in most Asian countries while the use of intermediate technology with emphasis on agro-based industries has much more to offer. This does not mean that advanced technology should be abandoned, rather each country should make use of intermediate and advanced technology as deemed appropriate. Ideally, the two forms should complement each other.

Today's problem is not the lack of technology but the utilization of technology to jibe with national development plans. There is need for a strong outreach programme for national, regional and international research centres, for after all, agricultural technology like cropping and animal production systems, is location specific.

Responsibility of Big Business

The private sector is in a favoured position as partner of government in the development of rural areas. There have been many inspiring instances of big business with foresight and social consciousness which exemplified social responsibility by taking the small farmers under their wings and helping rural individual groups and communities to achieve the highest possible level of fulfillment within their reach. There are certain companies I know that have provided the farmers around their agro-industrial plants with farming know-how, yield guarantee if the know-how as advised is applied, farm inputs, production credit and an assured market price even before planting. The company even helped to establish the farmers' association that subsequently became viable enough to co-ordinate government services in the community and to bargain effectively with the company and the government. This is an example of big business with compassion. There are so many opportunities like this for big business to be in symbiotic relationship with the struggling cultivators in the rural areas. Big business should be encouraged, guided if necessary, to realize and appreciate its social responsibility, and make more profit while doing so.

Trade Adjustment

The implication of the projection of agricultural trade is relatively unfavourable to the developing countries of the Region. To improve this unhealthy situation, policy and programme adjustments have to be undertaken to strengthen the activities in respect of export promotion, crop diversification for export, import substitution, international marketing arrangements and development of intra-regional trade. At present, FAO is undertaking studies on international trade in agricultural products in the adjustment process. It is also assessing the world's markets which are important for Asian developing countries, studying existing trends to project them into the future with certain assumptions. If developing countries have to gain greater access to the markets of the developed countries, adjustments would have to be made in agricultural policies in both developed and developing countries. It is for this reason that the Sixteenth Session of FAO Conference adopted "International Agricultural Adjustment" as a major theme of the forthcoming 1973 FAO Conference.

As Asian countries reach self-sufficiency in cereals for human consumption and seek ways of utilizing surplus land no longer needed for the production of their staple food, the production of feed grains and other crops for export and the food processing industries will be of increasing importance to agricultural development. Such food processing industries provide markets for new crops as well as serve as a link to world markets.

The increase in foreign exchange required for development must come from aid, investment and trade. But only one-fifth of the foreign exchange needed by the developing countries comes through aid and private investments. Four-fifths of their foreign exchange requirements come through trade. While world trade in general has been growing very rapidly, most of the developing countries of this Region are not sharing fully the benefits of this growth. If the developing countries of the Region desire to avail themselves of the bonanza from trade growth and make headway in eliminating poverty, they must obtain a larger share of this rapid growth in trade. It would create more jobs and earn the foreign exchange urgently needed for development.

The rapid industrial growth in Japan, Taiwan, Singapore, and Korea has triggered off bright prospects for the exports of food and feed stuff, primary and semi-processed agricultural products to these countries. The developing countries of the Region can thus hope for an expanded export programme in food and feed stuff provided their agricultural diversification programmes are linked to the demand in these rapidly industrializing countries.

It is also but timely to remind ourselves that towards facilitating the marketing of agricultural commodities among Member Countries in the Region, as well as with those of other regions of the world, the setting up of grades and standards, accompanied by strict implementation, is an imperative.

Regional Co-operation

Ideally and logically, no conflict should exist between national development and regional development programmes. They should instead complement each other. There are many common problems among Member Countries in the Region that can best be solved through regional co-operation. Regional programmes should be related to national programmes of many Member Countries if not all and should not be countenanced if they would not subsequently result in country action. Inter-country, sub-regional co-operation can be the beginning of wider groupings. The desire of the countries to work together is demonstrated not only by the formation of the ASEAN (Association of South East Asian Nations) but also by the establishment of the Asian Coconut Community, the Pepper Community and the Association of Natural Rubber Producing Countries as well as by the efforts currently being made to promote regional co-operation in rice and cereals.

Focus on Least Developed Countries

The United Nations have been stressing that special treatment should be accorded to the least developed among the developing countries in respect of technical and financial assistance and that the progress made by these countries in social and economic development should receive particular attention in the Second Development Decade Review and Appraisal. Six out of the twenty-five least developed countries are in the Asia and Far East Region: Bhutan, Laos, the Maldives, Nepal, Sikkim and Western Samoa. Agriculture is the most predominant sector in the economy of these countries. Not only is the bulk of the population dependent on agriculture for their livelihood, but agriculture also constitutes almost the sole source of export earnings. Despite this almost total predominance of agriculture in the economy, this sector has been by and large stagnant. In view of the size of the agricultural sector in the economy, it is only by the rapid development of agriculture that overall growth rates in these countries can be raised and thereby the level of per caput income.

FAO, therefore, has a special responsibility in accelerating the agricultural development of these countries. It has to be recognized that development in these countries is a long-term process as they suffer from a number of disabilities: social, institutional, physical and economic. On the one hand is the low level of literacy prevailing in these countries and the pronounced dearth of skilled manpower. There is also

a lack of an organized administrative system which, combined with the above constraints, has limited the absorptive capacity of these countries. On the other hand is the prevalence of subsistence production and use of primitive farming techniques. And inasmuch as countries like Nepal, Bhutan, Sikkim and Laos are landlocked, they have become remote and isolated, and consequently, economically retarded.

FAO is devoting special attention to the needs of the least developed countries in the Region. A mission from the Regional Office is to visit Laos shortly on the request of the Government to assist in the formulation of an agricultural development programme within the framework of the national plan now under preparation. In the programme of country perspective studies which are intended to focus attention on the specific development needs and problems of the countries, we propose to give priority to the least developed countries. In view of the small size of the domestic market of these countries, the establishment of integrated regional markets is of great importance towards increasing production and diversifying the economic structure. The proposed UNDP Regional Project: Agricultural Diversification and Intra-Regional Harmonization of Production and Trade, aims to study and make recommendations geared to the harmonization of production and trade in respect of the principal agricultural commodities. It may also be mentioned that UNDP is considering further special measures in favour of the least developed countries, in the execution of which FAO will have a major role to play.

Conclusion

I beg your kind indulgence for my views on development which lack the finesse of fashionable and complex econometric models. If they sound too practical and common-place, perhaps it is due to the fact that I always view development from the standpoint of the villager and the small farmer with whom the FAO Regional Office has always identified itself.

We do hope that the deliberations during this Conference will bring to focus the priority areas and programmes that should be undertaken for the Member Countries individually and for the Region collectively. For Item D of our agenda, we identified some key priority problems and suggested approaches to these problems. Because resources are limited, we should always strive to devote concerted efforts on a few important problems instead of doing a little on everything. The Conference should be able to make rational and practical recommendations that would merit the consideration of the Member Governments and those responsible for policy formulation and decision making at national, regional and global levels. And lastly, we should be reminded by what Dr. Boerma said, "We must be sure that our objectives, policies and programmes are in line with the realities of today and tomorrow."

STATEMENT BY THE INDEPENDENT CHAIRMAN OF THE FAO COUNCIL

Mr. Chairman, Your Excellencies, Ladies and Gentlemen,

As Dr. A.H. Boerma our Director-General has told you, I have tried to participate in the Regional Conferences during my two terms as Independent Chairman of the FAO Council. The fact that I could not go to Canberra two years ago would be then a sufficient justification for my presence amongst you.

However, there are other reasons. I shall not repeat the reasons given by our Director-General but shall merely say that I endorse them. The importance of the region due to its population, its problems and the spectacular progress realized during the last few years are generally recognized.

Only two years ago the technical progress known as "Green Revolution" was considered by the optimists as the panacea against hunger and mal-nutrition, and the pessimists, beginning to admit that this progress was not just a "flash in the pan" without any future, had not yet invented the second generation problems which, they now tell us, are dangerously vast. We admit that these problems exist, but we can affirm that there is a solution to every one of them, and the biggest mistake would be to shrink from difficulties.^{1/} The Green Revolution is indispensable and ought to be pursued, and spread to other crops, food legumes in particular, and to other regions.

Of these problems I shall deal only with the ones which are referred to most by people who see hope for humanity only in maintaining a status-quo from which they believe to continue to reap profits. Since the new varieties have been first put to use in the large farms endowed with material means and technical skills, certain people go so far as to say that a choice must be made between the Green Revolution and agrarian reform. Now, there will be no lasting Green Revolution except through the peasants, as the Green Revolution is the intensification of cultivation in order to obtain the maximum output possible from one hectare of cultivated land by devoting to it more direct work, i.e. farm labour, or indirect work through the inputs it requires. A farmer who uses his own and his family's labour does so unsparingly in order to increase the income that his family can get from the land which is limited. The intensification of agriculture is, as emphasized by Miss Ester Boserup^{2/}, the farmer's answer to demographic pressure, and it has been so since the first of the "Green Revolutions", the one in which the forefathers of the peasants had, during the neolithic age, invented agriculture. Certainly this intensification implies less productivity per hour of human work, and for this reason the tool which increases the productivity of human work is a corollary of all true agriculture - from digging to modern machines, passing through the hoe and the plough. The history of agriculture merges with that of a tool with which man can put increasingly more work into

^{1/} M. Cepede - Green Revolution and Employment, International Labour Review, Volume 105, No. 1, January 72.

^{2/} E. Boserup - The Conditions of Agricultural Growth - Chicago Aldine 1965.

an increasingly more intensive production. Any intensification implies more employment both direct and indirect. Therefore, it constitutes a weapon against one of the most serious factors of under-development. But the farmer who uses hired labour looks for work productivity, not so much because the work is hard for the farm worker but because it costs the farmer money. Conventional economic opinion does not favour intensification, which it counters with the law of Diminishing Returns, and because intensive production appears to be more vulnerable to price decline on the market which, according to it, is the supreme judge. The reappearance of the scandal of extreme poverty amid abundance and due to abundance, which had been the cause of the economic crisis of the thirties is being predicted. However, the awareness of this scandal was the source of the conception in Geneva of our Organization through the marriage of Agriculture and Food ... and this scandal took place before the "Green Revolution". The warnings of our first two Director-Generals, John Boyd Orr and Norris E. Dodd, went unheeded, their proposals were rejected by the Governments, and the so-called "surpluses" weighed on the markets long before the production targets had been reached ... and before men had the means to satisfy their most essential primary needs: that of eating. This is the very problem that Governments should face and that the FAO Council should strive to solve if it is to perform its mission of "World Food Council".

The intensive production indispensable for feeding mankind and for ensuring more productive employment, for farm as well as non-farm workers is also accused of destroying the environment. Logical though it may appear, the argument that, as intensive agriculture produces more, it will also exhaust more quickly the richness of the soil, is not valid ... Rather, it is the contrary which is true: the more intensive agriculture is, the more preserving it will be, and it is found to be more ameliorative than extensive agriculture, which yields the smallest harvest per hectare, provides the least employment, and exhausts, according to the Marxian formula, "the two sources from which springs all wealth: land and labour (K. Marx, Capital Book I Section IV)". Perhaps the less enervated environmentalists will acknowledge this. But intensification involves the use of chemical fertilizers, pesticides and herbicides which entail pollution. Last year, while delivering the McDougall lecture at the FAO Conference, Norman E. Borlaugh had given a wonderful reply to this objection ... Indeed, all these parasitic and commensal species, which you destroy, should they not be respected? What ought to be respected is priority, and the priority of priorities is the fate of man. As Prime Minister Mrs. Indira Gandhi has rightly said in Stockholm on the 14th of June last "When man himself feels deprived, how can we recommend the preservation of animals? How can we talk to people living in villages and slums about the cleanliness of oceans, rivers and air, when their own life is contaminated at the source. Environment cannot be improved when one is grovelling in poverty". The struggle against poverty and its after-effects: sickness, ignorance and hunger, ought to remain our absolute priority.

I sometimes wonder how the international community was able to hold a conference on human environment when war was continuing its destruction -- particularly in this part of the world for the past thirty years -- and was causing the most frightful of pollutions. Blaming agriculture for this is, once again, making the peasants the scape-goats for the mistakes committed by the mighty, or the "donkey" in the fable - "Animals Sick with Pollution" as a modern Jean de la Fontaine would put it.

However, this year, hopes of ending the most destructive of wars in progress seem to be justified ... it is not FAO's responsibility to intervene in armed conflicts between nations or within a Nation, but it is within our sphere to bring help to people who are hungry, to those who produce food or who would like to be able to do so ... and to ensure the conditions of rehabilitation and development in the sector of food and agriculture, in its widest sense. We must prepare ourselves for this task. Though the United Nations has not been able to play the role that the Charter gave them in the maintenance and reestablishment of peace, it would be unthinkable that they should not be responsible for

the help to be given to the populations and for the rehabilitation of economies devastated by war. The precedent of the United Nations Relief and Rehabilitation Administration must be used. May I remind you that the agreement which governs the relations between FAO and the UNO, negotiated by Sir Ramaswamy Mudaliar for ECOSOC and the Chairman of the FAO Executive Committee, Professor Andre Mayer, includes the possibility of our Organization taking the initiative, and that the first application of this agreement was the joint convening by the UNO and FAO, in May 1946 in Washington, of the conference on urgent food problems, which was to set up the "International Emergency Food Council" and to ask the Director-General John Boyd Orr to make long term proposals ... which, as I have already reminded you, were not accepted. Instead of the proposed "World Food Board" we have since 1947 only the "World Food Council", of which I have the honour of being to-day the Independent Chairman. The FAO Council has the power to appeal to the United Nations for the Secretary-General and our Director-General to be put in charge, as was the case again with the World Food Programme, of the mission of rehabilitating agriculture and food in the region once peace has returned. We must get prepared in advance and I dare hope that the Council will be aware of this; but it seems to me that the 11th FAO Regional Conference for Asia and the Far East is the most competent authority to invite the FAO Council to take its responsibilities, and to indicate to the Council the main lines of the action desired.

The Independent Chairman of the Council is at the services of all the regions, of all the peoples of the Member Countries that is, we may hope soon, of all humanity. From this Regional Conference he expects the guidelines, wishes and encouragement necessary to request the Council to accept its responsibilities and to give to the FAO Director-General the means of performing the Organization's mission, absolute priority being given to the improvement of the lot of the most underprivileged of men.

Thank you Mr. Chairman.

