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منظمة الأغذية  
والزراعة  
للأمم المتحدة

联合国  
粮食及  
农业组织

Food  
and  
Agriculture  
Organization  
of  
the  
United  
Nations

Organisation  
des  
Nations  
Unies  
pour  
l'alimentation  
et  
l'agriculture

Organización  
de las  
Naciones  
Unidas  
para la  
Agricultura  
y la  
Alimentación

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session • Cent trente et unième session • 131° período de sesiones**

**Rome, 20-25 November 2006  
VERBATIM RECORDS OF PLENARY MEETINGS OF THE COUNCIL**

**Rome, 20-25 Novembre 2006  
PROCÈS-VERBAUX DES SÉANCES PLÉNIÈRES DU CONSEIL**

**Roma, 20-25 de noviembre de 2006  
ACTAS TAQUIGRÁFICA DE LAS SESIONE PLENARIA DEL CONSEJO**

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# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**FIRST PLENARY MEETING  
PREMIÈRE SÉANCE PLÉNIÈRE  
PRIMERA SESIÓN PLENARIA**

**20 November 2005**

**CHAIRMAN**

I call the first meeting of the Hundred and Thirty-first Session of the FAO Council to order.

Before proceeding, I would like to make two short announcements.

The European Community is participating in this meeting in accordance with paragraphs 8 and 9 of article II of the FAO Constitution.

I have been asked to inform you that the declaration made by the European Community and its Member States is contained in information document CL 131/INF/6, which is available at the documents desk. I would draw the attention of the meeting to this declaration.

In welcoming all of the Members of the Council and Observers to this opening meeting, especially those of you who have travelled to Rome, I would like to make a special mention of the Russian Federation, a founder of FAO, which became a fully-fledged Member in April of this year. I am sure you all join me in welcoming the Russian Federation as the most recent Member Nation, bringing our membership to 190. We look forward to building on the already excellent relations we have enjoyed with our Russian colleagues, who have regularly attended sessions of Council as a non-Member Nation over many decades.

Before we move to the adoption of the agenda, allow me to extend a warm welcome to the Director-General.

I would like to give the floor to the Director-General to make some announcements.

**DIRECTOR-GENERAL**

Before we start our meeting, I would like to, unfortunately, say that we have been saddened by the loss of two former staff members who, following their retirement, had graciously accepted to put their invaluable experience at the disposal of the Organization under the Partnership Programme for retired experts.

The two experts lost their lives in a car accident that took place on 18 November in El Minya, 200 kilometres south of Cairo, in Egypt, where they were visiting a project site as part of an evaluation mission they had been recruited to carry out.

Mr François Dauphin, a French national and an agronomist by profession, joined the FAO Investment Centre in 1987, and in recognition of his excellent services, was appointed Chief of the Europe, Near East, North Africa and Central Asia Service in 2003, before retiring in September 2005. Throughout his years of service with the Organization, he provided an invaluable contribution to the activities in support of agriculture and rural investment, which was vastly recognized by international and regional funding institutions, as well as by the governmental agencies of the member countries in many regions of the world. Mr Dauphin is survived by his wife and four children.

Mr Raffaele Suppa, an Italian national and an economist by profession, joined the FAO Investment Centre in 1967. During his 36 years of service, before retiring in 2003, he participated in or led more than 100 investment formulation, preparation and supervision missions in Latin America, Asia, Africa and the Middle East. He was able to reach the highest professional level, in the Organization, thanks to his unrelenting commitment, sound technical judgement and hard work. Mr Suppa is survived by his wife and two children.

In addition to the FAO experts, two officials from the Egyptian Government also lost their lives: one expert and a driver.

I would like to ask you to join me in remembering their outmost commitment to the pursuit of FAO's mandate by observing a minute of silence in their memory.



**CHAIRMAN**

I also add my voice to the Director-General in expressing my condolences to the families of our colleagues who have passed away and with this I would like to ask the Director-General to take the floor and delivery his statement.

**DIRECTOR-GENERAL**

I would like, on behalf of the Secretariat of the Organization, to welcome Council Members and other participants, in particular the Representative of the Russian Federation, which has joined us as a full Member, making this Organization truly universal. We have had the opportunity to work with the Russian Federation in their capacity as an active Observer in many events and we are very happy that now they will be participating as full Members in the activities of the Organization.

I would like to take this opportunity to also bring to your attention the outcome of the Committee on World Food Security, which indicated the fact that we are far from achieving the goal set of halving the number of hungry people by the year 2015. Unfortunately, if the present trends continue, we will achieve our goal only in 2150. This is due essentially to the fact that we are not putting the necessary investment in the activities that could generate income and employment for 854 million people around the world.

On the contrary, we have seen in a framework of dwindling resources for ODA, the share of agriculture cut by half. I am convinced that with your support and following the recent discussions within the framework of the G8, and the different discussions in the UN General Assembly and here, subsequent to the World Food Summit *five years later* in 2002, we will ensure that we invest in agriculture, you may remember that this was the theme of World Food Day this year. By investing in agriculture, we will address the root causes of hunger and food insecurity.

We all are grateful for the generosity of the member countries in providing food aid when people are at risk of dying of hunger because of climatic conditions or other events, in particular because of water-related problems, specifically drought. We would like the countries to also address the reasons why these people, although in areas plentiful in water – surface water, ground water and so on – are still unable to control and utilize this resource in order to ensure that human beings and animals have water to drink and crops have water to grow.

I would also like to underline the fact that FAO is growing, as witnessed by the decision of the Russian Federation to join, bringing the Organization from 169 Members in 1994 to 190 Members now, with the likelihood that two more countries could join by the next Conference. Yet, between 1994 and now, the staff of the Organization has been cut by 30 percent. In the last biennium, we had a cut of US\$51 million in real terms. In the present biennium, we have another cut in real terms of US\$39 million. We cannot continue to expect this Organization to respond to increased demand, to serve more countries and yet to see its resources, in particular its human resources which is the wealth of this Organization, being regularly reduced because of the need to adjust to cuts in the budget.

I would also like to report that we are very pleased with the fact that the IEE is proceeding very well and we have, I must say, excellent cooperation with the team and we look forward to the outcome of their work in the next year and the conclusion of the discussion on the report at the next Conference.

You are also aware that the High Level Panel on the UN System-wide coherence in the areas of Development, Humanitarian Assistance and the Environment has been launched and the report to the Secretary-General is now available. This document is also very important in the process toward improving the efficiency and effectiveness of the UN system. The reaction of the different specialized agencies and funds and programmes within the framework of the Chief Executive Board (CEB), has been positive. However, on the one hand, there are a number of operational

details to be underlined, addressed and clarified. This is a report of a high-level panel selected by the Secretary-General, which will have to be discussed and negotiated by the member countries in the framework of the United Nations General Assembly. I am hopeful that the member countries here, individually with their colleagues in New York, but also in the framework of their regional groups, will participate in the process and ensure that the views of this Organization are duly brought to the attention of the UN General Assembly.

I wish to underline the fact that the Programme Committee and the Finance Committee have decided to present a recommendation to postpone the preparation of the Medium-Term Programme 2008-13, in order not to detract attention from the ongoing deliberations about the future direction of the Organization. I hope this is a very sound recommendation that will allow us – once we get the results of the IEE, the negotiation on the report on the High Level Panel on the UN System, and the activities that have been undertaken within the Organization - to be in a better position to make projections for the future.

I look forward to responding to the request of the September session of the Finance Committee to ensure that early next year we have a financial proposal aimed at restoring the financial health and long-term sustainability of FAO. This is indispensable. We cannot continue operating as an Organization by having to get loans of up to US\$84 million from banks, because of delays in the payment of the contributions and arrears. We cannot continue to operate this Organization with structural deficits because of the way in which some of the countries are addressing the issue of their contribution to the Organization. We cannot continue to operate with a system of reserve that is not effective because it has been depleted. The reserve account system of the Organization has to be replenished and restored to ensure that it duly plays its role.

We are presently facing an unexpected increase of US\$14 million in the cost of the General Service staff at Headquarters, as a result of a decision of the ICSC in New York. We have taken advantage, with the support of the Programme and Finance Committees, of the US\$7.5 million dollar contribution of the Russian Federation to partially cover this cost, if this is approved by the Council. To make up the difference we will not be able to use the special reserve account as it is depleted, which means that we will have to cut programme and projects to be able to cover this cost which is an obligation to this Organization. I think we would really like to consider addressing this problem.

Regarding the reform of the Organization, we will come back to this item later and therefore I will not focus in detail at this time. I just wanted to bring to your kind attention that we have, on the one hand, tried to implement the decisions taken by the Conference, in particular, within the framework of Resolution 6/2005. We have implemented the decisions you have already taken regarding decentralization in Africa and in Central Asia. We have presented to the Programme and Finance Committees the different options for implementing the Shared Services Centre. We have responded to the guidance of the Regional Conferences for Latin America and the Caribbean and of the Near East, regarding sub-regional offices. We have also responded to the guidance of the Programme and Finance Committees regarding priority areas and systems of checks and balances of the Organization, which had to be strengthened. In addition we have also responded to the guidance of the Conference on the implementation of the recommendations that have been presented by the Independent Evaluation of Decentralization of the Organization. We have also provided the additional data requested by Regional Conferences by the PC/FC, and we have carried out the relevant cost and benefit analysis that has been presented to you.

Let me add, Mr Chairman, that to facilitate the discussion on the reform of the Organization, in addition to the documents of the Council, we have prepared an Executive Summary of two pages and nine one-page documents on some of the basic issues that have been put before you. I hope that these elements will facilitate our discussions.

**CHAIRMAN**

Thank you for bringing to the attention of the Council a number of very important points which I think will be discussed during this week. Some of them vital to the future of the Organization, however, you were saying that the Special Reserve Account is empty so we might call it a special empty account - the Special Reserve Account. I hope that we see more of you during our deliberations this week. Thank you very much and all the best.

**I. INTRODUCTION – PROCEDURE OF THE SESSION****I. INTRODUCTION - QUESTIONS DE PROCÉDURE****I. INTRODUCCIÓN - CUESTIONES DE PROCEDIMIENTO****1. Adoption of the Agenda and Timetable (CL 131/1; CL 131/INF/1; CL 131/INF/6)****1. Adoption de l'ordre du jour et du calendrier (CL 131/1; CL 131/INF/1; CL 131/INF/6)****1. Aprobación del programa y el calendario (CL 131/1; CL 131/INF/1; CL 131/INF/6)****CHAIRMAN**

Let me start with the business of the Council. Our first item is adoption of the agenda and timetable as set out in documents CL 131/1 and CL 131/INF/1. But before doing so I see Sweden is asking for the floor.

**Christer WRETBORN (Sweden)**

As I seem to be the first to speak from the floor, I would like to welcome you to the podium and assure you that Sweden will do its utmost to support you in your important and difficult task. Having said that, I would ask you also to put on the Agenda for Any Other Business the point "International Year of Forests 2011".

**CHAIRMAN**

You all have listened to the proposal of Sweden for adding one item to the Any Other Business item no. 17 which is the International Year of Forests.

**Guilherme CASSEL (Brasil)**

Brasil prefiere que el tema sea tratado en la Asamblea General de las Naciones Unidas en Nueva York. La FAO tendrá la oportunidad de discutirlo en el Comité Forestal (COFO) en el 2007. Se espera que sea solamente para información del Consejo, sin tomar ninguna decisión sobre el año internacional de los Bosques.

**CHAIRMAN**

At least my understanding is that it is the same that you are asking for. Yes, Sweden notes.... so, it is an item only for information and is there any other business. With this addition, do I have your approval of the Agenda? I see no objections – so it is so decided.

Now we come to the Timetable, with respect to the timetable you have before you, documents CL 131/INF/1, a provisional draft. Does this timetable meet with the approval of the Council? Again, I see no objection so it is so decided.

I should like to inform the Council that a request has been made by a staff association of the Organization to allow a representative to address this session. Might I suggest that the staff representative deliver an address under Item 17 which is scheduled for our morning meeting on Thursday, 23 November? I do not see any objections to that so we will add that to our Timetable.

I should also like to inform you that the Director-General has received a request from the Republic of Montenegro to become a Member of the Organization. This will be discussed under item 15.2 of the Agenda *Applications for Membership in the Organization*.

May I also draw your attention to the deadline for the submission of candidatures for "Election of Six Members to the WFP Executive Board". This has been set for midday, 12.00 hours, on Wednesday, 22 November. Just a reminder for those who want to deliver their candidature.

Ladies and Gentlemen, before we continue with our agenda, and in the interest of the safety of all of us, I would now like to request your attention for just a few minutes to view a short audio visual presentation on fire safety.

***Video Presentation on FAO Security Measures***

***Présentation vidéo des mesures de sécurité de la FAO***

***Videopresentación sobre las Medidas de Seguridad de la FAO***

**2. Election of three Vice-Chairpersons, and Designation of the Chairperson and Members of the Drafting Committee**

**2. Élection des trois Vice-Présidents et nomination du Président et des membres du Comité de rédaction**

**2. Elección de tres Vicepresidentes y nombramiento del Presidente y los miembros del Comité de Redacción**

**CHAIRMAN**

We now move on to item 2, Election of Three Vice-Chairpersons, and designation of the Chairperson and members of the Drafting Committee.

Following consultations among the regional groups we have the following proposals for the three posts of Vice-Chairpersons of the Council: The names are:

- His Excellency Michael Tabong Kima, Ambassador of Cameroon
- Ambassador Schenk from Germany and Mr Hassan Abi Akar from Lebanon.

I do present these nominations to the Council for your approval. I see no objection, it is so decided. Let me congratulate all the Vice-Chairpersons. They are all good friends and able Diplomats. I feel very comfortable to work with them.

For the Drafting Committee, the Regional Groups have proposed His Excellency Zohrab MALEK of Armenia as Chairperson, and the following countries as members of the Drafting Committee:

Angola, Australia, Bangladesh, Brazil, Cameroon, Canada, Egypt, France, Italy, Japan, Netherlands, Peru, Philippines, Sweden and one other name which would be announced later on. We do not have the name of the country yet. It is from the Near East region. Are there any objections to these nominations? I do not see any, so it is so decided. Ambassador Zohrab Malek is both an excellent expert and an excellent diplomat. I am sure that we are in good hands and that the Drafting Committee would succeed. Welcome Dr Malek.

We will now move on to Item 15 Other Constitutional and Legal Matters and to sub-Item 15.1 Invitation to Non-Member Nations to attend FAO Sessions. It is a bit strange to start with Other Constitutional and Legal Matters instead of Constitutional Legal Matters but these are items which we do need to approve at the beginning. I have only one invitation to report – that sent to Montenegro to attend the 21<sup>st</sup> Session of the Intergovernmental Group on Meat and Dairy Products which was held in Rome from 13 to 17 November 2006. I take it that Council endorses this invitation to a Non-Member Nation, which is also an applicant as a Member Nation. Do I have your approval? Thank you. It is so decided.

This concludes this Sub-Item.

**V. CONSTITUTIONAL AND LEGAL MATTERS**  
**V. QUESTIONS CONSTITUTIONNELLES ET JURIDIQUES**  
**V. ASUNTOS CONSTITUCIONALES Y JURÍDICOS**

**15.2 Applications for Membership in the Organization (CL 131/16)**

**15.2 Demandes d'admission à la qualité de membre de l'Organisation (CL 131/16)**

**15.2 Solicitudes de ingreso en la Organización (CL 131/16)**

**CHAIRMAN**

Now we come to Sub-Item 15.2 Applications for Membership in the Organization.

As you will see from Document CL 131/16, there is one applicant for membership in the Organization, namely: The Republic of Montenegro.

The application will be considered by the Conference at its Thirty-fourth Session in November 2007. Pending a decision by the Conference, and pursuant to Rule XXV.11 of the General Rules of the Organization and a "Statement of Principal relation to the Granting of Observers Status for Nations", the Council is requested to authorize the Director-General to invite the applicant country to participate, in an observer capacity, in appropriate Council meetings as well as regional and technical meetings of the Organization which may be of interest to it.

Can I take it that the Council agrees to grant such observer status to the Republic of Montenegro? I see no objection, so it is so decided.

May I take this opportunity to call upon your cooperation in keeping to the timetable and enabling us to start our meetings on time. We have a very full agenda and need to ensure that the Drafting Committee is provided with draft reports for our discussions in sufficient time to enable the final draft report to be presented to Council for adoption on Saturday 25 November.

May I also request that if you wish to make a statement during the meeting, you give a copy of the text to the Secretariat in advance. This will allow the interpreters to interpret your words as clearly as possible.

We always talk about efficiency savings, one practical way of doing that is being present on time. Usually we spend a bit of time for having the quorum, so I ask you and appeal to you please be on time, our sessions will start at 9.30 in the morning, today, at 13.00 hours and other days at 14.30. Today sorry at 15.00 hours and the other days at 14.30. So 9.30 and 14.30 are the times we all have to be here in order to save time and achieve efficiency savings. Thank you for considering that.

Now we come to item 3, The State of Food and Agriculture 2006. The State of Food and Agriculture document is presented to the Council in the first year of the biennium for discussion. It highlights recent trends in food and agriculture at the world and regional levels, including the number of undernourished people in the world, which remains extraordinarily high at 854 million, the same figures for 2001 and 2003. Some countries and regions have made significant progress towards the World Food Summit and Millenium Development Goals targets, though by too little, to reach those targets, as was mentioned also by the Director-General. The Near East and Africa regions have, on the contrary, seen increases in the number of undernourished people. Please be ensured to have the right document CL 131/2. I should like to ask Mr Pingali, Director of Agriculture and Economic Development Analysis Division, to introduce the item.

### III. WORLD FOOD AND AGRICULTURE SITUATION

### III. SITUATION MONDIALE DE L'ALIMENTATION ET DE L'AGRICULTURE

### III. SITUACIÓN MUNDIAL DE LA AGRICULTURA Y LA ALIMENTACIÓN

#### 3. State of Food and Agriculture 2006 (CL 131/2)

#### 3. Situation de l'alimentation et de l'agriculture 2006 (CL 131/2)

#### 3. El estado mundial de la agricultura y la alimentación, 2006 (CL 131/2)

#### Prabhu PINGALI (Director, Agriculture and Economic Development Division)

It gives me great pleasure and it is an honour to present the State of Food and Agriculture Report for this year. In fact on this occasion I would like to present both the State of Food and Agriculture Report and, upon completion of that, I would like to also brief the Council on the outcome of the first meeting of the high level external committee on the Millenium Development Goals.

Let me start with the State of Food and Agriculture Report and let me start with looking at what has been happening to the state of food security in the world. Several of you were in this room just a few weeks ago when the Committee on Food Security met and at that time we presented to you a detailed assessment of the State of Food Insecurity in the world. Also, the latest issue of State of Food Insecurity, the 2006, SOFI has all of the latest numbers on the number of undernourished and the progress that has been made towards reaching the World Food Summit Goals as well as the Millenium Development Goals. I will repeat a few of the major points that came out of that meeting and that came out in SOFI this morning.

Let me start as we did last time by giving you a historical perspective. I think it is crucial for us to understand what has been happening to food security over time. If we look at the 1970 time period we find that we were living in a world where food insecurity was prevalent across all geographic regions: Asia, Africa and even certain parts of Latin America had very very high levels of food insecurity, an average of 25 percent or more of the population being food insecure in 1970, but as you go through the decades you find progress being made. Progress in terms of improvements in the food security situation. By 1985 you find substantial progress having been made in Asia, in Latin America and even in certain parts of sub-Saharan Africa. By the time we reach 1990s time period, you find that the progress has continued and by the World Food Summit period in 1996 we find much of Asia having food security levels which were around 20 percent or less than 20 percent in some cases; Latin America having made enormous progress in improving food security and even if you look at sub-Saharan Africa you find an enormous amount of diversity in the levels of food insecurity. Central Africa and Southern Africa being major problem areas in terms of food insecurity but significant progress being made in North Africa and also in the West African region.

You will notice that as you go past the World Food Summit years and towards the 2003 time period that the progress that was made has stagnated. In the last 10-year time period we have not made much more progress than we have had since the 1996 period; and I think that a very important message that comes out of the analysis that has been done looking over time, and this is a very important message that comes out in the SOFI 2006 this year. I think this interactive hunger map that we have gives us several important lessons. It tells us that we have made enormous progress over the last several decades but it also tells us that we have a very long way to go in terms of eradicating hunger. It also tells us that while the problem of high levels of food insecurity is certainly concentrated in Sub-Saharan Africa, even within sub-Saharan Africa there is enormous diversity, that there are several countries in the region where there has been significant progress made and one needs to learn lessons from countries within sub-Saharan Africa that have made progress and to see how those lessons can be applicable to other countries. Today, as the Director-General mentioned this morning, we still have a world in which 854 million people are chronically undernourished. When you look at the numbers it is quite clear within the developing world that one in six is undernourished or is facing undernourishment. If you look at the absolute numbers, they are certainly very large in Asia. Sixty percent of the total

number of undernourished are in Asia, India and China continue to account for a large share of that number and, if you look in terms of prevalence, it continues to be very high in sub-Saharan Africa. In sub-Saharan Africa today, one in three people faces undernourishment and hunger. As the Director-General mentioned, as we look ahead, the prospects of meeting the World Food Summit Goal of reducing by half number of undernourished by 2015 time period is very much in doubt. But not all news is bad news, if you look at progress towards the Millennium Development Goals, progress towards reducing the prevalence of hunger, we do find significant progress being made. We find significant progress at the global level and progress for all regions of the world except for the Near East and the North African regions. Even for sub-Saharan Africa, we find that the prevalence in terms of the proportion of people that are undernourished has dropped from 35 percent in 1990/1992 to around 32 percent in the most recent time period. FAO projects, in its latest issue of Agriculture Towards 2030–2050, that we do see an opportunity for meeting the Millennium Development Goal on hunger reduction by 2015 time period. This will happen not just because of rapid progress in countries such as India and China but it will happen because of progress taking place in all the regions, with one significant exception, and the significant exception being sub-Saharan Africa.

Let me now talk briefly about trends in agricultural production. As we all know that the main basis for improvements in food security, improvements in reducing rural poverty, etc., come when agricultural productivity improvements take place within a country, when agriculture is used as an engine of overall growth for the economy, and we see that as you look over the past 50 years that agricultural production has been increasing quite steadily over time. We find that much of that increase in agricultural production has come from improvements that have taken place in agricultural productivity in the developing world. We also find that on per capita basis you still see a slow but steady improvement in per capita agricultural production. This means that over the past 50 years, even though population has doubled, we find that agricultural production growth has outpaced population growth. And, even if you look at the most recent time periods, we continue to see fairly significant levels of output growth taking place, on an aggregate level but also on a per capita level. In the most recent decades some of that growth and the output has come through increases in livestock production in response to increasing incomes, diversification of diets, increasing consumption of dairy, poultry and meat products; and with that there has been an enormous boost that has taken place in livestock production and productivity growth in the livestock sector. However, in the most recent time periods, in 2005 and looking on into 2006 and into 2007, there are concerns of the impact of avian influence on poultry production, the continuing impacts of BSE and Foot and Mouth Disease in terms meat exports, etc. and we need to track these situations and see whether there are long-term impacts on livestock sector as we look ahead and over the next several years.

I should say however, even when we do take a positive global view of what has been happening to agricultural production and productivity, it is quite clear that not all regions are moving in the same direction. It is quite clear that Asia has seen a dramatic improvement in agricultural production over the last several decades while on the other hand, sub-Saharan Africa has seen a declining trend over the same time period with some amount of levelling off of that trend in the most recent time period.

Another matter of concern as we look ahead is in terms of the situation related to global cereal stocks. Cereal stocks have been one of the primary means of providing buffer to food security in times of shocks, in times of crisis situations, etc. We have seen over the last five years or so a steady decline in overall cereal stocks and a decline in the stock to utilization ratio. Some of that decline has come about because some countries which had very high levels of stocks have gone through a de-stocking exercise, notably India has gone through this process in the last few years. But a large part of the reason for the decline in stocks has also come about because of shortfalls in production that have taken place due to weather situations, etc. and this is an issue that one needs to look at more carefully over time.

Let me now talk about the commodity and trade situation and start with a discussion on what is happening to prices. In the short term if you look at price trends over the last few years, we do see

that there is an upward trend in basic food prices: cereals, meat etc. have been showing an upward trend, but the real dramatic price increase has been in sugar. Sugar prices have gone up quite significantly over the last couple of years and, as we all know, sugar prices are very strongly and positively co related with crude oil prices and as crude oil prices have been rising so have sugar prices been rising. This is mainly because of the diversion of sugar cane from the production of sugar to the production of ethanol and this is an area that one needs to keep an eye on as we look towards the future of higher crude oil prices and what happens in terms of ethanol production. In Brazil but also in several other parts of the world where there is increased interest and attention to ethanol production activities. As we say that and as we look at short term upward trend in basic food prices, we do need to recognize that as over the long term, real prices of food have continued to decline and the declining trend in real prices is forecast to continue through the 2015 time period as shown in the latest FAO/OECD outlook work that is coming out through Commodities and Trade Division. A point of concern again that is raised in the last issue of State of Commodity Market 2004 is looking at what has been happening to the balance of trade in food and agriculture among developing countries. Developing countries as a whole are moving from their historical status as net exporters of agricultural commodities to increasingly becoming net importers of agricultural commodities. In the case of the least developed countries, this transaction took place in the mid-1980s, and since the mid-1980s the least developed countries have become net importers of food and agriculture products.

The gap that we see today between food imports and food exports in the least developed countries, this gap can be closed in one of two ways. One is the improvements and productivity and competitiveness of domestic agriculture in the least developed countries. The second, is an expansion in non-agricultural exports as a means of paying for the increased imports of food and agriculture products into these countries.

For the least developed countries, certainly the avenue of increasing agriculture productivity and competitiveness is certainly the most promising option that there is. But the task is an enormous task, if you look at productivity performance of the least developed countries over the last two decades, the performance has been extremely poor relative to all other developing countries and relative to the developed countries. The task of improving productivity of agriculture in the least developed countries is an enormously complex and complicated task but one that is of urgent need.

At the same time, if you look at what has been happening to the composition of exports over time, you find that over time the composition of agricultural exports has been gradually shifting from an emphasis on basic cereals and basic commodities towards more high value products, value added exports, process products, etc. As international trade moves more and more in this direction, one finds that the least developed countries' ability to be competitive in this area is certainly very limited and certainly one where substantial effort has to be made before one can see the least developed countries benefiting from this change in the export market.

Let me come now to, where do we go from here, looking at the least developed countries and looking at ways in which one can turn the trends around in terms of improving productivity of agriculture and food security for the least developed countries.

Certainly, investments in agriculture is one of the primary means of achieving the goals of improving productivity and food security. If you look at the data on investments in agriculture, it is quite clear that countries that have consistently made high levels of investments in their agriculture sector are also countries that experience the lowest levels of food insecurity. These are also countries that have not only historically invested in their agriculture sector but they continue to do so even today.

If you look at countries with less than five percent prevalence of undernourishment, you find that this set of countries have increased their capital stock for agriculture workers by about 33 percent between 1975-1977 and 1998-2000 time period. On the other hand, look at countries with more than 35 percent of their population facing undernourishment. These countries have had extremely low levels of investments in their agriculture sector, but what is even more worrying is that these



countries, in the most recent time periods, have had less per capita investment in their agriculture sector than historically seen in these countries. Therefore, there is a major issue of turning this trend around and increasing investments in the agriculture sector, if we want to turn the trend on productivity improvements and food security.

Related to this, is the issue of external assistance to agriculture. It is quite obvious to say that for most countries the primary responsibility for investment in agriculture has to come from domestic sources and domestic commitment for increasing investment in agriculture. But external assistance can play an enormously important complementary role in enhancing investments in the agriculture sector. But if you look at the data on external assistance to agriculture, in real terms, after peeking in the mid-1980s, external assistance to agriculture has actually declined quite significantly through the 1990s and it has levelled off in the most recent time period. Even with increases in external assistance that has been taking place in the most recent time periods, in real terms the levels are nowhere near what they were in the mid-1980s and that time period. Not only is that a matter of concern, but if you look at the countries with the highest levels of food insecurity, these are countries that are receiving the least in terms of the share of the overall external assistance to agriculture, and you find that in the most recent time periods that share is even declining further for these countries.

I would like to conclude the current State of Food and Agriculture Report by saying that, as we look at the past and as we look to the future, we find that hunger and rural poverty continue to be daunting problems. These are problems that require high priority and consistent action at the national level but also at the international level. When we look at the problem of hunger and we look at the problem of improving agriculture productivity, these problems are enormously more complex today than they were in the 1970s. They are more complex because, they need to be put in the context of a changing global economy, of a changing national economy, of changes in demographics within countries rapid organization that is taking place, the shrinking agriculture sector in the overall GDP of countries, etc. Therefore, one needs to look at the historical problem of hunger and agriculture productivity within the context of a rapidly changing global world and national economies. This calls for increase levels of coordination and coherence across the sectors, across agriculture sector, the health sector, the urban sector, the finance sector, etc.

We also suggest that, as we look ahead, one needs to focus much more carefully on targeting hot spots in terms of hunger reduction, hot spots being countries with very high levels of incidence of hunger, but also even in countries that are doing well to identify regions and communities where hunger continues to be a chronic problem.

What I would like to do now is very briefly give you the conclusions of the high level external Committee on the Millennium Development Goals. The Director General has set up a standing committee to advise him on FAO's contributions to achieving the Millennium Development Goals, particularly, MDG one, which is to reduce by half the prevalence of hunger and prevalence of dollar poor by 2015 time period and MDG seven, which is the improvements in the environmental sustainability.

The first meeting of this committee was held on 7 and 8 September, 2006, in Rome. The Committee members were distinguished personalities from around the world, Professor M. Swaminathan, from India was the Chair, Mr Carlos Aquino Gonzalez from Costa Rica, Mr Bo Bengtsson from Sweden, Mr Cheikh M. Cissokho from Senegal, Mr Adel El-Beltagy from Egypt, Mr Walter Falcon from the United States, Mr Dmytro O. Melnychuk from Ukraine, Mr Moise Mensah from Benin, Ms. Barbara Stocking from United Kingdom and Mr Ismail Serageldin from Egypt.

Mr Serageldin could not attend the first meeting because he had some other commitments, but he certainly plans to attend the rest of the sessions that we have.

The primary reason for this committee is to advise the Director-General on FAO programmes and projects that help countries meet the Millennium Development Goals.

After two days of discussions and meetings with various FAO staff and Divisions, looking at various FAO programmes, the committee has given a set of recommendations. Let me read them out in terms of these recommendations that are directly targeted towards FAO, that in FAO should keep food and agriculture at the top of the global and national policy agenda; it needs to strengthen its position as a reference point for food and agriculture within the UN System; it should catalyze action from multiple players in the area of hunger reduction and agriculture development, and here the multiple players include NGOs, civil society, CGIAR centres, etc. It should help developing countries make informed judgments on food and agriculture policy; it should focus on a narrower set of objectives and priorities, where it can have a high impact on achieving MDG one and seven; and it should engage a wider set of institutional partners and here with a specific reference to also working with the Ministries of Finance, in addition to our traditional partners, the Ministries of Agriculture.

The next meeting of the high level committee is scheduled for April or May 2007 and some of the issues that are being discussed in the next meeting will be the lessons learnt from SPFS, emerging threats to food security with an emphasis on climate change, and the role of FAO as a knowledge organization.

#### **CHAIRMAN**

Thank you Mr Pingali for a very informative presentation, which contained both good news and bad news. Unfortunately we are here to focus on the bad news and to see how we can change the situation, hopefully during the next years that they report to us, the issue has become more a good news than bad news. Of course investment and external assistance declined which was mentioned as two major causes of difficulties in least developed countries has to be considered by the distinguished Members of the Council.

Now I open the floor for your comments, interventions, questions or additional new information to what has been discussed.

While we are making the list of our speakers. We will start with the distinguished Ambassador of Cameroon as our first speaker, he is also the Vice-Chair of the Council and we are listening to his wise words.

#### **Michael TABONG KIMA (Cameroon)**

Before I go on, let me first of all thank Dr Pingali for his very eloquent presentation, we appreciate it. And to you Chairman, being an old friend for over 10 years, I wish to say that I am very pleased to serve with you as Vice-Chairman.

The Cameroon delegation is thankful to the Secretariat for producing document CL 131/2 which gives recent information on recent trends in global food security developments and highlights general trends in agricultural production and markets, as well as, development assistance to agriculture and policy developments of relevance to international commodity trade.

We also wish to congratulate the Secretariat for regularly updating Member States on the state of world food and agriculture through food outlook, and food crops and shortages publications. The Report we have before us shows that the prevalence of undernourished people in the developing countries has fallen significantly, unfortunately, this positive trend has less benefited Africa, in which many countries prone to natural disasters or experiencing political instability, have seen their efforts to fight against under-nourishment have been completely jeopardized.

Even inside the African region differences disappear, and our Subregion, Central Africa, as pointed out by Mr Pingali, is among those that have not made any progress at all. It is a worrisome situation, because of the effects it has on the increasing needs for food aid in those countries.

Despite the positive trends and efforts to reduce the number of undernourished people in the world, the sad reality is that there are still too many people worldwide suffering from undernourishment, and the 2005 data and the prospects for 2006 on food production, which is the

first step in fighting undernourishment, are not very promising in the sense that growth in the world crop and livestock production has been slowed down, mainly due to unfavourable weather conditions and animal disease outbreaks such as the Avian Influenza.

To add to this sad picture the prices of basic agricultural commodities produced by developing countries such as cereals, oils and fats, cotton, declined and the share of agriculture in global trade continued a long way downward trend, and in this connection, developing countries continue to be net importers of agricultural products.

The fact that the Doha negotiations have not produced expected results is detrimental to the global trade for agricultural commodities. The existing trade distortions as a result of domestic supports, non-tariff barriers and other export restrictions will continue to be regarded as the major threats to global trade.

We, therefore, appeal for a resumption of the WTO negotiations on agricultural trade for we believe it is only through general agreements that a fair and balanced international trade should be and could be achieved. Also, the observed declining in international flows of resources in agriculture is a real issue of concern that shall be addressed properly by the international community. Without adequate investments, and focussing in agriculture, especially in developing countries, there would be very little prospects for correcting the downward trends in the global state of food and agriculture.

**Fazlul KARIM (Bangladesh)**

At the outset let me say how very pleased we are to see you chair our deliberations. We are confident that under your very able leadership we will have a very fruitful and successful Session of the Council.

I also extend my heartiest congratulations to the Members of the bureau on their very well deserved elections.

I thank the FAO Secretariat for excellent documentation. My special appreciation goes to Dr Pingali for his very comprehensive briefing and analysis.

Bangladesh, as the coordinator of the least developed countries, notes with great concern that with the current rate of progress to achieve the World Food Summit Goals in halving the number of the world's hungry by 2015 will not be achieved. We are particularly concerned, as Dr Pingali has rightly pointed out, that since the 1980s the Least Developed Countries have become net food importers. As you note, the economies of the LDCs have really been sidelined. Both as a result of their structural problems, as well as as a result of non-conducive external environment; particularly, as a result of globalization and consequent fierce competition their economies have really been sidelined. We are equally concerned that about 85 percent of the world's undernourished live in the Asia Pacific and sub-Saharan Africa.

Unless effective steps are taken by the international community to help these countries the MDGs will remain an illusive target, and the developing countries of the world will be overcrowded with more hungry people, which by itself may be a source of instability in the world.

The reasons and factors that contribute to the deterioration in the food security situation are fairly documented: drastic reduction in public investment in the field of agriculture, lack of adequate external resources, highly subsidized agriculture in the developed countries, tariff and non-tariff barriers against the exports from the developing countries, dumping of agricultural products and a sense of complacency following the green revolution achievements may be quoted as some of the factors.

It is well recognized that agriculture production has doubled over the years. The world produces enough to feed its population, however, still we see more than 850 million people remain hungry in the world. In this context we need a common political will to ensure entitlement and access to food and the best way to do so is to strengthen targeted poverty alleviation programmes.

Bangladesh has made tremendous progress in the domain of agricultural production in the last three decades. As you'd recall, in the early 1970s, we had a population of about 75 million and it was a net food importing country, but today, in 2006 our population has almost doubled but we have almost reached food autarchy. However, still we have a long way to go to address the problems of malnutrition and poverty. In this regard, we have to face the twin challenges of increased number of national disasters as well as the dwindling flow of FDI and particularly foreign investment in the agricultural sector.

We feel that it is really a national responsibility to increase investment in the agricultural sector, but, as well, we would need a conducive international environment whereby we can increase our exports and help the peasants and farmers increase their income. We are also trying to increase our investments in the agro based industries so that we can help our farmers.

In conclusion, I would like to say that there is a tremendous importance and need in a collective will and working together in helping the developing countries achieve food autarchy and increase their agriculture production. I hope we will be able to work together in the days ahead in this regard.

#### **CHAIRMAN**

It is encouraging to hear that Bangladesh has made good progress in agricultural production. I hope that you will do so in the future as well.

#### **Paul MURPHY (Canada)**

Canada appreciates FAO's analysis of global food security developments and recent trends in agricultural production, markets and trades and in external assistance to agriculture. We are concerned about the lack of progress toward the goal of halving the number of malnourished people by 2015 and we are committed to helping achieve the target for global food security as set out in the Rome Declaration on Food Security.

My delegation is particularly concerned about the decline in resources to agriculture and Canada has been increasing investments in agriculture and food security programmes. The Canadian International Development Agency is currently committing US\$190 million to agriculture in the 2006/07 fiscal year; an increase of over 50 percent from its levels in 2001/02. Overall the proportion of funds expended for agriculture in total disbursements increased from 4.3 percent in 2001 to 7.5 percent by 2005/06. CIDA's total support for African agriculture last year reached US\$85.6 million.

Canada considers that the suspension of WTO negotiations is a significant setback for all WTO Members given the economic benefits that we all stand to gain from more liberalized trade in agriculture. Canada strongly supports the earliest possible resumption of the WTO/Doha Round.

Finally, Canada believes that renegotiation of the Food Aid Convention should only occur once new WTO rules on food aid are established.

#### **CHAIRMAN**

It is also good to hear that your fine assistance to agriculture investment has been increasing and we hope that it will continue in the future.

#### **Don BANFIELD (Australia)**

Australia welcomes the opportunity today to comment on the FAO Report on the State of Food and Agriculture and to raise a number of global and domestic issues affecting world food and agriculture.

First of all I would like to thank the Secretariat for its very useful Report. Australia concurs with many of the assessments and in fact, the analysis of a range of commodities is broadly in line with our own. We welcome developments outlined in the Report regarding the longer term decline in undernourishment, as well as, the more significant falls in the prevalence of undernourishment. The Report highlights that much of this improvement has been concentrated in the Asia Pacific

region where many developing countries are reforming their trade and investment policies, institutions and infrastructure.

I would like to draw particular attention to two key global issues that have the potential to impact significantly on the food and agriculture situation of all Members of FAO. The first of these is the Doha Development Round negotiations. Australia believes that agriculture negotiations in the WTO provide a rare opportunity to advance global growth and development and to improve global food security. At the recent Cairns Group 20<sup>th</sup> Anniversary Ministerial Meeting in September, Australia and other members of the Cairns Group pledged to do all we could to facilitate an early resumption of negotiations and a successful conclusion. We need to re-engage quickly and we welcome Mr Lamay's calls for consultations and contacts to resume.

The benefits of genuine agricultural trade reform for all countries, but particularly for developing countries, are well documented. All members, particularly those developed members with high levels of support and protection need to show leadership, commitment and a willingness to move from entrenched positions to move the Round forward. The window of opportunity for concluding the Round is closing fast.

FAO also has a key role to play in assisting developing countries capitalize on the benefits of agricultural trade liberalization through capacity building and technical assistance programmes.

Another major global challenge identified in this year's State of Food and Agriculture Report is the response to the emergence of Avian Influenza. Australia is working with other Asia Pacific countries to develop a regional response to pandemics and emerging infectious diseases, particularly in combating Avian Influenza. We have committed a further \$A100 million over the next four years for initiatives in our region.

Australia welcomes the strong role of organizations such as FAO and WHO in helping countries prepare and respond to emerging infectious disease threats. In this regard, Australia acknowledges the increased FAO presence in the Asia Pacific region, particularly in recent months and the positive impact that this is having on disease control and response.

I would now like to refer briefly to two key developments in agriculture in Australia. Like in other countries, the operating environment for Australian agriculture and food producers has changed markedly over the past decade. The pace of change has quickened in increasingly globalized markets and new challenges have emerged. It was against this background that in March 2005 the Australian Minister for Agriculture, Fisheries and Forestry established an independent reference group to advise on the best policy approaches for improving the profitability, competitiveness and sustainability of Australian agriculture. The group delivered its report in February this year. The report is optimistic about the sector's future, but it does identify a number of major challenges ahead. The report highlighted the fundamental importance of dynamic, flexible and market oriented sectors to address these challenges and to capitalize on future opportunities. It emphasized the need for continuing innovation, increasing self-reliance and improving partnerships between businesses and government. The Australian Government released its initial response to the recommendations of the report in October this year and expects to release a major statement of future policy directions for Australian agriculture next year.

We would be happy to make copies of the statement available to Members once it is released by the Australian Government.

Finally, I would like to comment briefly on a very pressing and difficult issue for Australian agriculture, namely that of drought. Much of Australia is presently experiencing a very serious drought. The drought is now the worst on record in Australia and is in its fifth year in many parts of the country. In the short to medium term drought conditions are expected to worsen across the continent with drought-breaking rains now unlikely before the first half of 2007 at the earliest.

As a result, we are forecasting a 60 percent decline in our winter crop production, compared to last year. This will be the lowest crop production since the last severe drought in 1994-1995. This is a dramatic reduction by any standard.

Given the very difficult situation of many of our farmers, the Australian and State Governments are providing basic income and farm business support but, importantly, this is strictly time limited, is fully decoupled from production and meets the green box requirements under the WTO.

While many of our farmers are experiencing very difficult financial circumstances because of drought at the present time, it is clear that the reforms introduced by the Australian Government have proved to be very beneficial in two very important respects. First, most farmers went into this drought better prepared than they were for previous droughts. Second, our farmers have demonstrated amazing resilience, flexibility and adaptability in adjusting to the very difficult conditions. Further work needs to be done. Unfortunately, drought is a recurring feature of the Australian landscape and we are working to encourage our farmers to be even better prepared for drought and even more self reliant.

In conclusion, let me reiterate that Australia is willing to share our experiences in food and agriculture and to work collaboratively with other Members of FAO on global issues affecting food and agriculture.

#### **CHAIRMAN**

We are sorry to hear about this drought but certainly your experience and your knowledge on that would be welcome by FAO and many other regions which are captured by the same difficulty.

#### **Michael YOST (United States of America)**

We want to thank the Secretariat for the 2006 State of Food and Agriculture Report. We look forward to the publication of the full SOFA 2006 Report, which in recent years has provided a stimulating and analytical perspective on some of the most important issues we face in the agricultural sector, including food security conditions and current emergencies.

The lack of progress in reducing hunger and undernourishment, highlighted by the State of Agriculture Report comes as no surprise. We have heard the same message consistently since the World Food Summit in 2002. Our collective efforts have not succeeded in reducing hunger rapidly enough to meet the World Food Summit Goals. In some areas of the world, progress has been thwarted by causes of food insecurity that are beyond the scope of our work in this Organization, such as conflict and political unrest. In other areas of the world, the work of this Organization should be at the forefront of efforts to deliver sustained reductions in food insecurity through economic growth. Progress towards the goal should be one of the prime performance benchmarks for FAO.

A few weeks ago, as he introduced the 2006 State of Food Insecurity Report, the Director-General noted the lack of progress in reducing hunger and undernourishment and said: "business as usual will not do". We cannot agree more. In the face of such consistent and prolonged failure to meet our objectives we have to reconsider the way we do business. In FAO we have already started that process by approving the Independent External Evaluation (IEE). Next November we will meet to review the IEE Report and discuss the way forward for FAO. We expect the IEE to provide us with a thorough, reasoned analysis of FAO's strengths, weaknesses and comparative advantages. With the IEE Report in hand, we, the Members of FAO, will be in a position to debate and agree on a common vision for FAO's role in addressing the challenges facing agriculture globally. In particular, the challenge of achieving sustainable reductions in chronic hunger and undernourishment. Then FAO's priorities need to be reconfigured to reflect the Members' vision of its role and responsibilities and resources needed to be realigned with our agreed priorities.

Like many countries, the United States have already given considerable thought to how FAO can meet the challenges of the future. We believe the Organization should have two inter-related and overarching objectives.

The first is to facilitate the participation of developing countries in the global economy. Poverty reduction and elimination of hunger and undernourishment will be achieved principally through economic growth, which, in many developing countries will be driven by agriculture. Concluding,

the WTO Doha Development Agenda will open markets and reduce distortions in agricultural trade. FAO can enhance such trade benefits because there are many obstacles to fuller participation in the global economy on both the supply side and the demand side, including lack of infrastructure and technology, lack of effective market mechanisms, lack of trade capacity and inability to implement trade-related standards. FAO should be playing a leading role in assisting countries in many of these areas.

The second overarching objective is to assist countries in addressing the emerging global challenges facing agriculture. These include transboundary pests and diseases, global environmental change, conservation and sustainable use of genetic resources and a growing demand for agricultural-based energy resources.

In addressing this issues, FAO can serve as a global coordinator, a source of expertise and analysis and a forum for countries to discuss strategies and solutions for these challenges.

Avian Influenza provides an illustrative example. FAO is coordinating a global response to the animal health threat, as well as providing technical assistance and policy advice to threatened and affected countries.

FAO cannot continue to try to be all things to all Members. The focus of the Organization needs to be concentrated on areas where FAO has the unique or comparative advantage. This implies that some programmes will need to be augmented and some will need to be reduced. We can also expect some programme areas to be eliminated and, perhaps, new areas of work to be identified.

One sentiment frequently encountered in any discussion of priorities is that FAO's biggest problem is insufficient funding. We do not share that sentiment. Providing more funding to continue business as usual will not help us reverse the failures of the past nor address the challenges of the future.

Let me conclude by saying that the United States is ready to begin a dialogue, one that is urgently needed to help us prepare for critical decisions that we will soon have to make about the future direction of this Organization. We are eager to move away from business as usual and work toward the changes necessary to help FAO meet the goal of reducing global hunger and undernourishment.

**Yuji NAKAMURA (Japan)**

I would like to express my appreciation to Director Pingali's Report. I appreciate not only his detailed and balanced report but his responsibility and enthusiasm for this very important task for the world. I am sure this is the reflection of all Members of the FAO Secretariat.

As repeatedly confirmed on various fora, including this morning session, about 854 million people in the world are estimated to be chronically undernourished. In order to overcome this inhuman situation and to stabilize the global food supply, it is essential to increase agriculture production in countries with food insecurity through sustainable ways. As a country, which once experienced serious food insecurity, immediately after World War II – not so long ago – at least my generation remembers this hard time vividly.. Japan fully recognizes the importance of encouraging various types of agriculture production in each country and each region. In the WTO Doha Round on Trade Negotiation, Japan's basic concept of a strategic target is coexistence of various types of agriculture.

It is also important to ensure peace and stability in the areas concerned from the viewpoint of the concept of human security, which focuses on security and dignity of individual persons. Japan implements its official development assistance from this point of view, including cooperation in agriculture, the bilateral part of which alone amounts to be US\$500 million per year.

At the Ministerial Meeting of the Doha Round in Hong Kong, “development” was of one of the main agenda items. Japan launched its development initiative, that includes a package of extensive development assistance measures, including those for the improvement of agriculture

productivity and for promoting the export of agricultural products, as well as duty-free and quota-free market access from least developed countries.

With regard to the high pathogenic Avian Influenza, which has a significant impacts on production and consumption, Japan – as a country which has experienced control of this disease – provides assistance in collaboration with FAO to Asian countries, including supporting quarantine activities dispatching specialists in animal health as well as development of human resources. In this year, on the top of a multi-year project with mid-term targets for technical improvement in animal quarantine, Japan has provided to FAO US\$10 million for emergency projects in the Asia region.

Finally, I would like to also stress that Japan has been collaborating with FAO to support developing countries not only in Asia but in other regions.

In Africa, for instance, Japan provides technical support in dissemination of New Rice for Africa which is called in the abbreviated form NERICA. Japan continues to provide assistance in various ways towards reduction of the undernourished population in various regions of the world also in coming years. Thank you.

#### **CHAIRMAN**

Thank you, not only for your interest in the statement but for wise decision of having a short statement. I hope others will follow suit if they do not want to have an evening session tonight. With this advice I would invite the European Community to take the floor.

#### **Renaud-François MOULINIER (European Community)**

I shall speak on behalf of the European Community and its 25 Member States, the acceding countries, Bulgaria and Romania, and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

I would like to thank the FAO Secretariat for providing a general assessment of the State on Food and Agriculture in 2005. However, I need to stress that the very late posting of this document in the FAO web site, less than two weeks before the start of the Council, does not allow delegates to have sufficient time to undertake a thorough analysis as well as to provide substantiated comments.

Let me start with Food Security. While important progress has been made during the first 35 years regarding the prevalence of undernourishment, the EC is sharing the concern expressed by FAO regarding the very limited progress in most sub-Saharan African countries. The European Community welcomes the recommendations of the last Committee on World Food Security aiming at dressing the root causes of food insecurity in the short and long term. In this regard, the new European Community Food Security Thematic Programme, which should start in 2007, has the objective to improve food security in favour of the poorest and the most vulnerable through a set of actions which will ensure overall coherence, complementarity and continuity of community actions. The strategic priorities of the programme until 2010 will focus, in particular on: 1) the support to the delivery of international public goods through research and technology; 2) the strengthening of national and regional stakeholders capacities to produce and analyse food security information with the view to design effective response strategies to prevent crises and reduce chronic food insecurity; 3) support regional and continental initiatives in the area of disaster and risk reduction, agricultural policy development and sustainable management of natural resources; 4) linking relief rehabilitation and development, particularly in fragile and failed States; 5) promotion of innovation to fight food insecurity; and 6) international advocacy on food security, donor harmonisation and alignment and support to the role of civil society/non state actors' organizations.

Regarding food aid, it would have been more appropriate to provide 2005 figures. According to WFP interface, global food aid deliveries in 2005 amounted to 8.25 million tonnes – some 10 percent more than in 2004, and emergency food aid increased by 23 percent compared to 2004, in particular, food aid deliveries to sub-Saharan Africa which increased by 22 percent. The European



Union provided 20 percent of emergency food aid principally through local and region procurement. The document also gives an overview of the situation in 2006 concerning the trends for crop and livestock production, trade and international commodity prices and the resources to agriculture, fisheries and forestry. We welcome the data information including the document which we will examine attentively. As a general comment, the paper asserts that annual growth for crops and livestock production used as a performance indicator leads to conclude that there is, in certain regions, a lower growth than in past decades. Nevertheless, this should not hide the fact that we are now experiencing the highest annual growth in absolute terms mainly because, many years of continued growth has resulted in a much higher base.

The report does not entirely reflect the recent steep rise in world grain and oilseed prices to levels last seen in 1995/1996 which indicates increased concerns about global supplies, especially for wheat. The sharp deterioration in crop prospects in drought affected Australia, as has mentioned our colleague, is a main trigger against the background of declining forecasts for global stocks. While the rise in prices is likely to ration demand especially in the feed sector, immediate market supplies are further restricted by the very slow pace of farm deliveries in a growing market.

Moreover, the main forecasting institutes indicate that the world demand for all dairy products driven by growing population and economic growth will absorb the additional quantities produced - mainly consumption in Russia and the Far East. Yet, given the expected structural increases in milk supply by Argentina, New Zealand and China principally, and the recent growth in the USA and its sudden slow down in world demand, may well reverse the currently favourable situation on the world markets. Competition for the world export markets comes mainly from the US, Australia and New Zealand but Argentina has been progressing significantly on the powder product market in recent years. It has to be reminded that, thanks to its tight control of production through a milk quota system, the European Union does not contribute to any increase in production and thus does not play a role in the ongoing process of price deterioration that is observed on the world market.

The document also mentioned the incidence of animal disease outbreaks on the growth of global livestock production. The CFS of early November has addressed the impact of Avian Influenza, in particular on food security. The outbreaks of Avian Influenza result indeed in direct losses and costs as well as important indirect costs such as market disruption and changes in consumption patterns. These costs are particularly detrimental to poorest populations and to their food security. The EU stressed that FAO should be equipped with efficient instruments, such as the Crisis Management Centre, in order to be properly prepared and to respond more quickly to crises affecting the entire food chain. The CFS recognized that more research on the impact of Avian Influenza on food security is needed.

As regards international trade, the EU objective is to promote the gradual integration of developing countries into the world economy, enhancing their potential for trade and contributing to their development. In that respect the EU has taken important steps to that effect through preferential trade agreements and GSP scheme including the "Everything but Arms" initiative which fully opens the EU markets to import from Least Developed Countries. The EU has a firm focus on development and is by far the largest market for exports of agricultural products from developing and Least Developed Countries. The EU imports more food from these countries than all of the other OECD countries combined. In the broader context of the WTO Doha negotiations, the EU has also supported differential treatment and enhanced trade related assistance for those developing countries which are the weakest in the area of trade, in order to take into account their special needs and constraints.

Finally, concerning fisheries, the European Community welcomes and shares the analysis made by the FAO on the state and trends in production, utilization and trade and on the importance of fish as a source of animal proteins. As regards the increasing importance of aquaculture, let me stress the role of this sector as an instrument of sustainable development aimed at entering food security and creating employment. Furthermore, besides FAO's work regarding the analysis of a state of fisheries markets, the European Community attaches great importance to the role to be

played by FAO in the evaluation of the relationship between fisheries and environment, the development of an ecosystem approach to fisheries management and the continuation of international efforts aimed at combating Illegal, Unregulated and Unreported fishing activities. These elements should be further discussed in the context of a next meeting of the Committee on Fisheries to be held in March 2007.

**Ibrahim Bocar DAGA (Mali)**

Nous tenons d'abord à vous féliciter ainsi que votre bureau. Nous tenons aussi à féliciter particulièrement le Secrétariat de la FAO pour l'excellente documentation, qui nous a été présentée aujourd'hui en matière de situation de l'alimentation et de l'agriculture dans ce monde. On ne saurait être plus clair.

Nous constatons deux choses fondamentales. La production mondiale aujourd'hui peut nourrir la population mondiale. Deuxièmement, ceux qui avaient faim hier risquent d'avoir encore faim demain si des mesures radicales ne sont pas prises. La FAO l'a dit et tout le monde le constate, le monde a changé sur le plan climatique d'abord, on ne se retrouve plus dans ce monde. Malheureusement, les responsables de ces changements sont muets, n'ont aucune inquiétude à avoir et c'est toujours les pays en développement qui trinquent. Aussi, les mesures que je considère comme uniques dans le cadre de l'échange dans le commerce mondial ne peuvent pas amener le monde à nourrir ces huit cent cinquante et quelques millions d'affamés. Les subventions sont là pour le prouver, surtout la baisse dans l'investissement dans le milieu rural. Cette baisse a commencé depuis quelques décennies déjà, on le constate. Mais je voulais dire que, au niveau de l'Afrique, pour ne parler que d'elle, des décisions quand même ont été prises courageusement au niveau du NEPAD demandant d'accroître ces investissements dans le secteur rural, minimum de 10 pour cent du budget d'investissement alloué au secteur rural. Je suis fier d'annoncer que le mien est à 14 pour cent déjà de son budget bien avant que cette décision n'ait été prise au niveau de la Conférence du NEPAD et de l'Union africaine.

Le Mali a aussi élaboré, parce que vous devez le savoir, c'est un pays à vocation essentiellement agro-silvo-pastoral, une loi d'orientation agricole tendant à améliorer la production et la productivité par des aménagements de grandes superficies. Le Mali a des terres, le Mali a de l'eau, le Mali a des bras valides, le Mali n'a pas les moyens financiers requis pour investir promptement et abondamment dans le secteur agricole. Je voudrais vous informer d'ailleurs que le Mali est tellement attaché à tous ces problèmes qu'à la fin du mois, un Forum mondial sur la grippe aviaire doit être organisé à Bamako et nous remercions les uns et les autres des partenaires, qui ont déjà aidé le Mali pour ce faire.

Il est bien beau de dire qu'on a pris des mesures pour aider les pays en développement à être sur le marché. Mais comment se fait-il qu'on n'arrive même pas à s'entendre? On n'arrive même pas à comprendre exactement qu'est-ce qu'il faut faire pour que le commerce ne soit pas cet échange inégal qui était décrié déjà, il y a plus de trente ans, par de brillants économistes. Deux pour cent du commerce mondial, c'est une marge, des mesures autres que celles qui sont prises aujourd'hui doivent être tenues en compte pour intégrer le continent africain dans le commerce mondial.

Sinon où allons nous? Nous allons vers ce qu'il faut considérer aujourd'hui comme un problème, l'immigration; l'immigration incontrôlée. Aucun pays ne peut garder des jeunes valides sur ses terres, ne pouvant pas leur donner du travail et les empêcher de sortir traverser les frontières. Et tout ça que sais-je, dû à l'insensibilité ou la négligence de certains. Il vaut mieux y penser maintenant avant qu'il ne soit trop tard. Parce que certes, ce serait comme la '*marabunta*' qui gronde. Ceux qui en ont seront envahis, et c'est une loi de la nature. Après cette brillante situation présentée par la FAO, nous voulons vraiment appeler les uns et les autres simplement à s'investir réellement. On ne peut pas être membre d'une Organisation et se mettre en marge de l'Organisation. Nous avons des obligations vis-à-vis d'une Organisation et je voudrais dire: nous avons lancé une évaluation externe indépendante c'est bien pour voir où est-ce qu'on va? A moins qu'il n'y ait des initiés, personne au jour d'aujourd'hui ne peut présager ce que sera le résultat final de cette évaluation indépendante. Nous ne pouvons pas brandir l'évaluation comme un étendard ou comme une bible et ne pas travailler. Nous ne pouvons pas rester, laisser la FAO statique

attendre encore un rapport. Des rapports il y en a toujours eu. Nous avons déjà eu le rapport sur la décentralisation qui n'est pas respecté, qui a déjà été discuté. Donc de grâce, prenons conscience que la FAO a besoin de nous, ce n'est pas pour la FAO elle-même c'est pour ces millions, millions, millions et ces centaines de millions qu'on le fait. C'est pour ça que je lance cet appel vraiment aux uns et aux autres. Lutter contre la faim aujourd'hui c'est aussi aider la FAO à avoir les moyens de mener son combat. C'est aussi aider la FAO à remplir la mission qui lui a été assignée par les hautes et les plus hautes autorités de ce pays. Voilà, Monsieur le Président, ce que je voulais dire pour être bref, puisque vous nous demandez d'être bref, mais je suppose que dans les jours à venir nous allons encore effectivement nous étayer sur certains points précis.

**Mrs Tritaporn KHOMAPAT (Thailand)**

First of all my delegation would like to take this opportunity to welcome you again to this Council, as the independent chairperson, to assure you of our strong support for this important assignment and to congratulate the three new Vice-Chairs upon their election to this Council.

My delegation wishes also to express our appreciation to the Secretariat for the comprehensive overview of the world food and agriculture situation. Thailand is of the view that practically all member countries have committed themselves at the national and international levels to reduce the level of hunger and undernourishment in order to meet the target of World Food Summit and MDGs.

However, many countries seem to be far from achieving their commitments, even though global food production has increased more than two times over the past forty years and likely to keep pace in the twenty-first century. Yet today, one eighth of the world's population still lacks secure access to food for healthy life living. According to the State of Food and Agriculture, crop and livestock production has declined, due to volatile global climate and natural disasters including emerging diseases such as Avian Influenza. Currently the global prime commodities price has gradually declined coupled with the reduction of external assistance from donor countries. Moreover, agricultural trade and development have been hindered by domestic support, export subsidies and non tariff barriers imposed by importing countries. These trade distortion methods and insufficient international cooperation lead to unstable production, prices and have the impact on production capacity in developing countries. This situation is not conducive to enhance food security. Trade facilitation for developing countries, who are the worst food suppliers, need our attention for the betterment of small farmer producers and access to food of vulnerable people. Therefore, my delegation, would like to join, my voice to many previous speakers to call for international cooperation in the World Trade Organization negotiations on agricultural commodities so as to solve the problems of agricultural trade and food security.

Finally, my delegation would like to urge that the governments of developing and developed countries pursue and support the initiatives on food security with resources and policies action. Civil society organizations in developing countries should be encouraged to play a supporting role. Incentives should be given to encourage business and food industries to invest in the rural area of vulnerable people, so that the real progress down the road towards sustainable food security for all, will be achieved.

**Rajiv DOGRA (India)**

Let me begin by joining in the chorus of congratulations to you both because of your well known ability in the leadership role that you now have and also in the expectation that through your chair, this session will be able to achieve something that which will be remembered as practical and goal orientated.

I congratulate Dr Pingali and all his colleagues for an excellent even if sobering Report on the State of the World Food Security or its prospects. But that Report has also set us thinking. It has set us thinking about the variety of issues connected with this Report.

My first question which I ask this assembly of distinguished representatives is that why were MDGs based at the level they were. Why were the goals set so high? Did we not know that they

may not be realistic? Or is it a failure on our part that we have not been able to achieve the goals that were set up that time.

The second question that arises is, like why is it that before 1996, the world was making good progress towards achieving food security, but after 1996, the story is different. There is also a sense of recent times that media and private foundations seem to have taken the initiative, I would hesitate to call it away but they seem to have taken the initiative and coming up with innovations on food security.

I also feel that this entire issue is too serious to be addressed by slogans. The people of the world, especially the malnourished, whom we are trying to address, cannot be appeased by slogans like we feed people, they want to feed themselves. They want the means for that independence which will give them self respect and the other message which is coming out loud and clear is that if there is insecurity in one part of the world, the rest of the world in this globalised situation of today, cannot remain unaffected and a food secure area today may become a food deficit area tomorrow, as some colleagues are mentioning. So there has to be a new thought, there has to be a new direction to this entire exercise. If we are giving a new direction then we should wonder as to whether there can be a uniform policy. Can there be one prescription which fits all kinds of food insecurities, all situations, and all needs. Should there not be multiple strategies because what is needed in one part of the world or what is needed in one situation may not really be applicable under different circumstances. We have been talking about reforms, we have been talking a lot about reforms, so in this age of reform, shouldn't the first objective of reform be to ensure food security, like how do we tailor organizations, multilateral organizations in particular to meet this huge challenge.

My delegation also has some suggestions, for example, FAO could address issues relating to production increases in areas not covered by green revolution, taking green revolution as an example and as an aspiration, why not apply it to other areas. Second in any kind of strategy that aims at food security, the small agricultural holder must be addressed, his concerns must be addressed, otherwise we can never hope to achieve food security. If we are addressing through FAO, through other Organizations, the concerns of the small agricultural holder, then we must not forget that even in the resumed Doha Round, his trade related concerns must be addressed because only then can there be a comprehensive solutions.

In terms of some other suggestions that my delegation has is that there must be programmes that assist developing countries in organizing supplies at affordable prices of inputs, especially seeds through international and national research systems.

The next and last suggestion is, that even in the areas covered by the green revolution we cannot remain static.

We need to innovate, we need to improve, we need to build on that performance for further success, so there has to be diversification and there has to be value addition in those areas as well.

Finally, what we need today from a multilateral organization is a leadership role, a leadership role in the field of ideas and at a practical plan, that is what is needed, because that ultimately, would increase that sense of food security and it would also help the worldwide food security, that all of us are gathered here to deliberate upon.

#### **CHAIRMAN**

I am sure that your able countryman would note your very valuable suggestions.

#### **Ms Yao XIANGJUN (China) (Original language Chinese)**

The Chinese delegation wishes to express our thanks to the Secretariat for the Report they have made, especially to Mr Pingali for what he has told us. The Report is quite rich in content and data, it has comprehensively and objectively analysed and appreciates the present world situation of food and agriculture. It has also given us a comprehensive analysis of agricultural trade. According to the data given by FAO, for years 2005 and 2006, we would have enough food

supply. The production could basically set aside its needs, however, different countries and areas are quite different in the field of food security. The developing countries are still faced with the threat of food insecurity, the task we are now facing is still quite serious.

The Chinese delegation believes first of all, food security is the common responsibility of the international community. Countries and international communities should pay further attention to food security, to adopt active measures and to put the realization of global food security as the primary task. We should increase our investment in agriculture and improve food production. Second, the countries and international communities should provide and create a good environment for the solution of food security.

War and conflicts, natural disasters, poverty and illness are the root causes of hunger. Apart from doing our best to eliminate those factors, to establish a fair and non-discriminating international economic order is also necessary.

Thirdly, the developed countries should pay more attention to the difficulties of the developing countries and developing areas, truly implement what they have committed and increase their official aid, help developing countries to develop the agricultural production and in the process of liberalization of agricultural commodities, to give focus to the situations and reasonable requirements of developing countries.

As the most populated country in the world, with the highest food consumption, the Chinese government has always paid great attention to agriculture development. We have been increasing our input into agriculture. We have adopted effective measures to promote the willingness of the farmers to increase their agriculture production. The experiences of agriculture development in China has shown that to realize agriculture production and to protect food security, policy and investment are the essential elements.

The Chinese government has always participated in the international communication cooperation in the field of agriculture. Up to now through South-South Cooperation framework, under the food security special programme, we have sent over 700 agricultural specialists to over 20 countries in the field of livestock, agriculture, crops, agricultural machinery, agricultural processing and irrigation. In May of this year, China signed a letter of intent between the Chinese government and FAO on the South-South Cooperation. In the following five years, we will send more people, specialists to the developing countries.

At the beginning of this month, we have a Summit of China, Africa cooperation. Over 40 Heads of States meet in Beijing jointly discussing the cooperation between China and Africa. Agriculture is one of the important field of cooperation between China and Africa. We will share our experiences in reducing poverty and secure food security and make our contributions to the realization of the Millennium Development Goals.

### **Bernie FONDEVILLA (Philippines)**

We will touch on three points. First on the Avian Flu, second the current agricultural situation in our country and third, on the issue of nutrition.

Allow us now to elaborate on these points in the order represented. First, is on the prevention of the entry of Avian Flu to the Philippines. For the past years, we in the Philippines have successfully prevented the entry of Avian Flu. With the cooperation of all stakeholders, we have adopted measures to maintain our country Avian Flu free. We have put in place a surveillance system for 25 provinces with migratory bird risk. We maintain the ban on the importation of all domestic and wild birds and their products from bird flu affected countries. We have also installed footbath disinfectants in airports and seaports entry on a 24 by 7 basis supervised by our veterinarians.

In this context, allow us to convey our appreciation to the assistance of the FAO in strengthening our ability to keep our country bird flu-free through two major FAO Technical Cooperation Projects (TCP). Firstly, is the Emergency Regional Coordination for the Control of Avian

Influenza in Southeast Asia. Secondly, the FAO administered project on improving field and laboratory surveillance for an effective Avian Flu protection programme.

It is also in this light that we advocate and support the FAO Technical Cooperation Programme in the context of the proposed FAO reforms and reorganization. Allow us also to take this occasion to thank donors to our Avian Flu efforts, countries such as Japan, Italy, Sweden, the Netherlands, Australia and New Zealand. We hope that we have not missed out anybody.

Second, allow us to present the current agricultural situation in our country. Between January and June of this year, the Philippines recorded a 5.14 percent growth in production. The biggest contributors to this growth were the crops subsector, which increased its production by 6 percent, and fisheries, which improved its output by 8.6 percent.

Corn, banana, municipal fisheries and aquaculture registered notable two-digit growths - with Filipino corn producers making the greatest advances at 32 percent. And, in spite of a mild spell of La Niña over the same period, our farmers made remarkable gains in palay production, registering an 8.4 percent increase in yields. These growth rates were achieved despite of the challenges besetting the agricultural sectors, such as the sharp increase in the cost of production brought on by rising fuel prices; the fall in the price of farm and fishery commodities as globalization deepens and competition from abroad intensifies.

Our government will pursue our goal of food security for our people through a two-pronged approach; the expansion of the nation's area of productive cultivation; the improvement of farm and fishery logistics to reduce the cost of wage goods and other equally critical non-wage commodities.

We also hope to see a hunger-free Philippines in the framework of the Voluntary Guidelines on the Right to Adequate Food, so that over the long-term, this right based approach can be mainstreamed in our policies.

Considering the archipelagic geography of my country, we have established nautical highways to facilitate the transport of agricultural commodities from the producing areas to the major urban centres at least cost and shortest time possible. We will also accelerate the construction of agricultural infrastructure, particularly irrigation, to expand our production areas. We are aggressively exploring the potential of biotechnology to benefit the agricultural sector.

Lastly, on the nutrition issue. As we pursue our medium-term goals and conscious of our international commitment to halve hunger by 2015, we seek to address the pressing issue of malnutrition particularly the young that beset many developing countries including my country.

We are promoting a nutrition programme targeted to improve the nutritional needs of school children from poor families through distribution of vitamin fortified food based on certain criteria. We also remain committed to support low price rolling stores selling basic food commodities catering to the urban poor communities.

### **Guilherme CASSEL (Brasil)**

Estamos invitados a examinar el estado de la alimentación y la agricultura en 2006. El documento CL 131/2 nos muestra que aún estamos lejos de vencer el reto de la erradicación del hambre. En un mundo de gran producción agrícola, viven más de 850 millones de personas en situación de inseguridad alimentaria. Esta es una situación inaceptable. La mayor parte de estas personas (820 millones) viven en los países en desarrollo. Tenemos que hacer más y mejor, como países, como FAO, como comunidad internacional, para cumplir con los compromisos de la Cumbre Mundial de la Alimentación y con las Metas de Desarrollo del Milenio. Tenemos que promover el desarrollo, condición sin la cual no venceremos la pobreza y el hambre.

En ese sentido, es importante que el Consejo tenga muy en cuenta la constatación y la preocupación del documento "El Estado de la Inseguridad Alimentaria 2006", recién examinado en la 32ª Sesión del Comité de Seguridad Alimentaria: en términos mundiales, a diez años de la realización de la Cumbre Mundial de la Alimentación, prácticamente no hubo progreso en el

objetivo de reducir a la mitad el número de los desnutridos en el mundo. Este cuadro es aún más preocupante cuando sabemos que lo que falta no son los alimentos sino el acceso a ellos.

En las palabras del Presidente Lula, Brasil, en sus esfuerzos para reducir la injusticia social, cito: "llega al final de 2006 como el país menos desigual en los últimos 25 años. Siete millones de ciudadanos han vencido la línea de la pobreza. El poder de compra del salario mínimo ha aumentado un 26 por ciento en términos reales desde 2003".

La democratización de la tierra también se ha ampliado: en los últimos 4 años, el Gobierno brasileño asentó el equivalente de 35 por ciento del total de asentados de la reforma agraria en Brasil. Además, el Gobierno pasó a proveer a los agricultores familiares asistencia técnica, seguro de emergencia, seguro agrícola, apoyo a la comercialización – incluso por medio de compras locales para la alimentación escolar – y apoyo a la agregación del valor, como el desarrollo del biodiesel.

La agricultura familiar es responsable actualmente del 10 por ciento del Producto Interno Bruto brasileño y de aproximadamente 40 por ciento del PIB agrícola nacional. Más de 15 millones de agricultores familiares responde por el 60 por ciento de los alimentos ingeridos por los brasileños. Con base en la tierra, en el trabajo y en la familia, este programa genera 8 de cada 10 ocupaciones en el área rural. El valor del programa nacional de apoyo a la agricultura familiar fue cuadruplicado: de mil millones de dólares en 2002 a 4 mil millones en 2006.

Tales medidas fueran tomadas en conjunto con la adopción de una política agrícola que permitió remuneración real a los agricultores y permitió su permanencia en el campo, de donde no fueran expulsos por políticas agrícolas, nacionales e internacionales, contradictorias.

Brasil ve con placer la estrategia de dupla mano para el combate al hambre y para el desarrollo rural ser adoptada internacionalmente. Esta dispuesto a continuar a cooperar con los otros países para su promover su aplicación en el ámbito nacional e internacional.

El Gobierno de Brasil tiene la percepción clara de que el problema del hambre y de la pobreza es estructural. Por lo tanto, demanda un tratamiento estratégico que lo combata en todas sus dimensiones.

#### **Christer WRETBORN (Sweden)**

Sweden speaks now on behalf of the Nordic countries, Denmark, Finland, Iceland, Norway and Sweden. We fully align with the European Community statement on this item.

First of all, the Nordic countries wish to commend the Secretariat for the document before us and we are looking forward to the presentation of the full report of the State of Food and Agriculture. The short version of the Report, in front of us, provides us with the insight and overview necessary to get an understanding of the global agricultural situation at the same time as it raises some questions as to what should be done and by whom.

FAO's Report shows that the prevalence of hunger has dipped considerably, from 37 percent to 17 percent, but progress is slow, uneven and even slowing down in recent years. It is with regret however, that our delegations note that the number of undernourished persists at the same level as before the 1996 World Food Summit. It also appears that sub-Saharan Africa is still the region with the highest number of countries facing food emergencies. This is due to civil strife and various natural disasters as well as other external and internal factors. We also see in this material that conflict-induced emergencies are increasing more than the ones resulting from natural disasters. This goes to show that a twin-track approach is more than appropriate in the fight against hunger and malnutrition. The Nordic countries see a role for FAO in this, one firmly based on the Organization's important normative work and emanating from the Millennium Development Goals.

FAO's Report highlights current trends in agricultural production and consumption. It is with concern that we note that the growth of the global agricultural production shows a declining trend. The growth rate in cereal production is slowing down after years of increase. The situation in

meat production is even worse, mainly due to the effects of Avian Influenza, which has caused a marked drop in the consumption of poultry meat. FAO has shown leadership in the fight against Avian Influenza and we wish to commend the Secretariat for the important work carried out in this respect. We also feel that this experience should be used in other fields as it is a very good example of cooperation between different UN actors.

In the Report, the Secretariat shows that aquaculture holds a potential for future food security. After rapid increase over some years, aquaculture now accounts for 32 percent of total fishery production, a large part of which is attributable to China. Here we wish to stress that sustainability is the key to the long-term success of the aquaculture industry. The combined challenges of sustainability and of environmental concerns must therefore be taken seriously. FAO should play a coordinating role in advancing the global aquaculture agenda.

This Report also shows how external assistance to agriculture is distributed, both over years and regionally. Here, it appears that both bilateral and multilateral assistance to agriculture have declined over the last decades. Secondly, there are important variations to be noted in the geographical distribution of this assistance, as shown in Figures 5 to 7. The most important aspect of these figures seems to be the relatively modest share of resources assigned to Africa, despite the fact that sub-Saharan Africa in particular continues to be an area of special concerns when it comes to the need for agricultural development assistance.

Based on its mandate, FAO has a clear role to play in relation to global food security and agriculture. This year's State of Food and Agriculture shows that there is work to do in several fields pertaining to the fight against hunger and for increased food security. Thus, we also wish to emphasize FAO's work in relation to sustainable fisheries, forestry, gender issues, plant and animal genetic resources, *Codex Alimentarius*, IPPC and implementation of the Voluntary Guidelines for the Right to Food. Moreover, we wish to stress that the new and emerging issues of bioenergy should be analyzed in more detail as we think that it holds potential in this context. As stated by the EU in its statement at the Committee on World Food Security, FAO is a global actor in the work relating to agriculture and forestry, biodiversity and genetic resources by setting rules and norms and bringing partners together to agree on principles and procedures. We therefore encourage the Secretariat to investigate this further within the perspectives of sustainability and food security.

These are all topics that go to the very core of what FAO as a knowledge-based and normative and standard setting global Organization for Food and Agriculture should engage in. We await the Independent External Evaluation and the entire Reform Process and hope that these will provide us with guidance as to how we can make FAO work better to achieve our ambitious goals. The Nordic countries believe that there is a place for FAO on the global arena and hope that the current reform and evaluation processes will contribute to this end.

#### **HASSANE ABI AKAR (LIBAN)**

Je remercie les Membres du Conseil de m'avoir choisi comme Vice-président et je suis très heureux de travailler avec vous et de pouvoir bénéficier de votre expérience. Nous apprécions beaucoup les efforts réalisés pour la préparation de ce rapport sur l'état, la situation de l'alimentation et de l'agriculture et qui insiste donc sur tous les aspects techniques, environnementaux, d'assistance au marché, etc. et je suis d'accord avec tout ce qu'on dit mais préopinant, en tant que représentant d'un pays du Proche orient, je pense qu'il y a d'autres raisons qui EXPLISSQUENT la sous-alimentation et l'aggravation de la situation agricole. Les problèmes liés à la malnutrition et la dénutrition ne sont pas en général le fait des facteurs qui sont, ou seulement le fait des facteurs qui sont mentionnés dans le rapport, mais également ils sont dus à des facteurs politiques voyant ce qui se passe en Afghanistan, en Iraq et dans les territoires occupés de Palestine. Il faut bien se souvenir de ce qui s'est passé au Liban l'été dernier avec la destruction qui a été perpétrée, destruction du secteur agricole. La mission de la FAO estime à soixante-dix millions les pertes du secteur agricole et dresse un bilan des choses à faire à l'avenir, donc il faut bien reconnaître que l'agriculture n'a pas de bonnes performances et ensuite il faut travailler pour résoudre les causes de cette situation, à savoir, l'occupation et la reconnaissance



des droits légaux du pays et le respect de l'autonomie et de l'indépendance des pays de la région. Donc, Monsieur le Président, j'espère que l'on arrivera à une recommandation interne de cette session comme quoi tout sera fait pour, et par tous, pour traiter des véritables causes de l'aggravation de la situation de l'agriculture et de la nutrition dans les pays du Proche orient. Merci.

**Ben KAPITA (Zambia)**

We are happy to see you chair this Council session. We also welcome the Council document on the State of Food and Agriculture which gives recent major trends in the global food security developments and agricultural production and markets.

We want to pay tribute to Dr Pingali for a job well done.

The increasing number of our Least Developed Countries that are becoming net importers of food is frightening and we propose that immediate action is taken to ensure that we reverse that trend.

FAO has estimated that there are over 854 million chronically undernourished people in the world and that 820 million of these are living in developing countries and with the highest prevalence of undernourishment being found in sub-Saharan Africa.

I want to make reference now to my own country, Zambia. Zambia experienced normal rainfall during 2005/2006 season. The result of this is an increase in the production of maize, our staple food, by 60 percent from the previous year, with a production of 1.4 million tonnes. Other food crops, notably cassava, sweet potato, wheat sorghum and millet also recorded increases ranging from 9 percent to 45 percent over the previous season.

My country is currently food secure. It does allow the country to export some surplus maize to some food deficit countries in our region.

To sustain our favourable food security position, we are providing tactical small-scale farmers with subsidized inputs and encouraging commercial farmers to increase production of food crops by promoting sustainable agriculture. Efforts are being made to reduce the hampering of food production in our country, by human and induced disasters such as HIV AIDS and roads.

Interventions to address periods of hunger and the chronic food insecurity include provision of social safety nets, enhanced food and nutritional programmes, improved infrastructure, promotion of good agricultural practices and crop diversification.

As I speak, Zambia is in the process of drawing up a comprehensive food security strategy and action plan, within the framework of our Fifth National Involvement Plan. This Plan will guide the economic movement of our country for the period 2007-2010. Under the plan, agriculture has been accorded as one of the priority sectors. The objective of the sector is to promote increased and sustainable agricultural production, productivity competitiveness in order to ensure food security, income generation, creation of employment opportunities and reduction of poverty levels.

To achieve the above, Zambia has prioritized the following areas:

Firstly, development of irrigation. The emphasis is to bring additional farm land and irrigation through construction and rehabilitation of various irrigation resources like dams and canals and tapping of water for irrigation from many rivers and lakes throughout the country;

Secondly, livestock development. The contribution of the livestock sector to agriculture growth has been greatly hampered by disease, poor animal husband practices and poor marketing infrastructure. In the Plan, the emphasis is on tackling these constraints, restocking and stocking areas where livestock has been depleted or non-existent will be emphasized;

Thirdly, the development of the fisheries subsector. The fishery subsector plays a very important role in our country in terms of food security, nutrition and income generation. We are promoting restocking and cultivation of fish stocks in natural water bodies. We have also formulated an aqua

development strategy with technical support from FAO. The strategy will guide investment in fish farming in the country.

Fourthly, the government policy on land is to ensure that land is readily available for agricultural purposes. To this effect, we plan to bring additional land and agriculture production through involvement of farm blocks in all our nine provinces. The farm blocks are being zoned into large, medium, small-scale lots for both local and foreign investors.

Fifth, enhancement of agricultural services which means extension in farmer training and technological involvement with research and dissemination of information.

Sixth, promotion of agricultural marketing, agri-business involvement as well as strengthening farmer organizations.

To implement the above programmes requires financial resources. Increased financial resources from government, complimented by those from cooperating partners and the private sector will lead to increased sector growth and food security.

We, in this regard, acknowledge the active role being played by FAO in support of African agriculture, especially in countries formulating national, medium-term programmes and bankable investment policy profiles in the NEPAD and CADP framework and the implementation of various other activities.

#### **CHAIRMAN**

I have a few announcements to make.

First, may I remind participants of the need to register at the Turkish registration centre, which is at the main entrance of FAO. The name's of participants who fail to register will not be included in the final list of participants, which is included in the Report of the Session. Please make sure that you register down the stairs at the entrance.

Second, earlier I mistakenly mentioned that the afternoon meeting will begin at 15:00. I am told by the Secretariat that the afternoon meeting is scheduled to begin as indicated in the Order of the Day, at 14:30. I look forward to seeing you here at 14:30 this afternoon.

To make things a bit easier, I will read the list of the speakers for this afternoon: Republic of Korea, Pakistan, Uganda, Iran, Cuba, Congo, Mexico, Indonesia, Angola, Peru and Russian Federation. If there are not any other Members of the Council who want to speak, we will go to the list of observers, which will be: Argentina, Mauritania, Zimbabwe, Guinea, Sudan, and the International Federation of Agricultural Production. All others will register right now.

***The meeting rose at 13.10 hours***

***La séance est levée à 13 h 10***

***Se levanta la sesión a las 13.10 horas***

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 november 2006  
Roma, 20-25 de noviembre de 2006**

**SECOND PLENARY MEETING  
DEUXIÈME SÉANCE PLÉNIÈRE  
SEGUNDA SESIÓN PLENARIA**

**20 November 2006**

## **II. WORLD FOOD AND AGRICULTURE SITUATION (continued)**

## **II. SITUATION MONDIALE DE L'ALIMENTATION ET DE L'AGRICULTURE (suite)**

## **II. SITUACIÓN MUNDIAL DE LA AGRICULTURA Y LA ALIMENTACIÓN (continuación)**

### **3. State of Food and Agriculture 2006 (CL 131/2) (continued)**

### **3. Situation de l'alimentation et de l'agriculture 2006 (CL 131/2) (suite)**

### **3. El estado mundial de la agricultura y la alimentación, 2006 (CL 131/2) (continuación)**

### **4. Report of the Thirty-second Session of the Committee on World Food Security (October-November 2006) (CL 131/6)**

### **4. Rapport de la trente-deuxième session du Comité de la sécurité alimentaire mondiale (octobre-novembre 2006) (CL 131/6)**

### **4. Informe del 32º período de sesiones del Comité de Seguridad Alimentaria Mundial (octubre-noviembre de 2006) (CL 131/6)**

## **LE PRÉSIDENT**

Comme Vice-Président indépendant du Conseil et Représentant du Liban, je déclare ouverte la deuxième séance de la cent trente et unième session du Conseil de la FAO. Avant de poursuivre les discussions concernant le point 3 de l'ordre du jour "Situation de l'alimentation et de l'agriculture 2006", permettez-moi de vous rappeler que l'on attend encore le nom du Membre du Comité de rédaction de la Région du Proche-Orient.

Reprenons le débat sur le point 3 de l'ordre du jour: "Situation de l'alimentation et de l'agriculture 2006". Les pays suivants sont inscrits sur la liste des orateurs pour ce point: République de Corée, Ouganda, Pakistan, République islamique d'Iran, Cuba, Congo, Mexique, Indonésie, Angola, Pérou, Chili, et Madagascar.

On commence par les Membres du Conseil et on continue avec les Observateurs.

### **Chang-HYUN KIM (Republic of Korea)**

First of all allow me to express my thanks to the Secretariat for the informative and comprehensive presentation of the State of Food and Agriculture. We would like to share the view with the distinguished delegates of the importance for food security to enhance the long term food security and provide other than food assistance. Countries who experience food shortage must establish a concrete plan of their own and international support for development should be given in a due manner. Recently natural disasters have been concentrated on developing countries due to lack of the timely rehabilitation assistance to get back to the country; the malnutrition situation is getting worse. Moreover, taking into account the decrease in stocks of major crops, it is important to establish the strategy for regional food security. It is also highly recommended to maintain a certain level of stocks for countries to buffer food shortages more easily.

I would like to take this opportunity to introduce the Korean Government supports to Avian Influenza control effort of the international society. The Korean Government acknowledges the efforts of the international community and the importance of fund-raising to fight Avian Influenza. I would also like to point out that developed countries should meet the financial needs that the organizations and regional cooperative bodies, including Asian regions, are asking for. In this regard, the Korean Government pledged to World Bank to contribute US\$1 million as a promoter of the International Conference on Avian and Human Pandemic Influenza, which was held in June 2006. To tackle Avian Influenza efficiently, with international cooperation, the Korean delegation would like to point out that it is also important to enhance the Asian countries' capability to respond to the situation from a long-term perspective through various measures such as capacity building, technical support and nutrition experts. In this context, the Korean Government is planning to open a training course to transport Avian Influenza diagnostic technology to Asian members and provide the test kit in December this year.

With regard to trade and negotiation, the Korean delegation has the same view as expressed by the Japanese delegation.

**Bright RWAMIRAMA (Uganda)**

The Uganda delegation congratulates you and the three Vice Chairpersons upon being designated to chair the Council Session. Regarding the topic under discussion, we wish to make specific comments on the issues raised in the State of Food and Agriculture, document CL 131/2, and then provide Uganda's experiences in addressing food and agriculture concerns. We note with concern that the number of chronically undernourished people in the world is increasing. This indicates that the goals of the Rome Declaration made in 1996 during the World Food Summit to reduce by half the number of the undernourished may not be achieved by the year 2015. It is deplorable that the developing countries are still a long way to solving the problem of food security. This is particularly so in sub-Saharan Africa where an estimated thirty-three percent of the population is undernourished. The region has not made reasonable progress since last year, as shown in the document referred to above. We note with concern that the sub-Saharan African food production increase is less than the population growth, thus aggravating the malnutrition problem.

Regarding food emergencies and food aid, we highlight the following: we welcome the response of the international community to various emergencies which have become quite common, ranging from calamities caused by floods, earthquakes, droughts and epidemics caused by pests and diseases, to emergencies caused by civil strife. We hope this assistance will continue and the interventions will have a clear linkage from emergency to sustainable development. We also note that Eastern Africa including Sudan, Ethiopia and Eritrea were among the highest recipients of food aid in 2004/05. While this assistance is welcome, we continue to advocate that aid should be non-market distorting and should have a precise exit strategy for the affected people.

The document in discussion rightly notes the decline in external assistance to agriculture over the years both bilateral and multilateral assistance. The conditional ties for the assistance are also increasing. The challenge is for the recipients of this assistance to find alternative ways to increase production and move away from dependency on donors.

On crop and livestock production, we congratulate China and India for successful investing in livestock and attaining high levels per capita animal products consumption. However, sub-Saharan Africa needs to emulate their approaches in order to raise growth rates and to change the trend from declining or stagnating to increased per capita output.

On international commodity price trends and agricultural trade, we emphasize the effects of the ever fluctuating commodity prices especially for beverages such as coffee, tea and cocoa on which many African countries heavily depend, including Uganda. The effect on the economy and the population at large is enormous. This is further compounded by the increasing prices of inputs for production. It is therefore not surprising that FAO is forecasting an increase of over two percent in the world import bill in 2006.

Let me highlight some facts on the agricultural sector in Uganda: agriculture contributes to about 38.5 percent of the GDP for the last three years; about 5 percent of the population is food insecure and 31 percent vulnerable mainly due to civil strife and drought; about 12 percent of the food insecure receive food aid; about 43 percent of the children are wasted and Uganda has an estimate population of 28 million with a growth rate of 3.4 percent per annum.

Output from the agricultural sector for the financial year 2005-06, was estimated to have marginally increased by 0.4 percent, compared to an increase of 1.5 percent in 2004/05; growth in the agricultural sector is highly affected by weather conditions as the sector is largely smallholder and heavily rain fed. The erratic and unevenly distributed rainfall and drought spells is increasingly affecting output of both crops and livestock. Livestock contributes about 17 percent of Agricultural Gross Domestic Product has continued to register increase in production. Annual milk production has increased from 900 million litres in 2000 to an estimated 1.2 billion litres in 2005. The country has been declared free of Rinderpest disease by OIE. Uganda has not experienced any outbreak of Avian Influenza disease. We, however, have put in place a multi-

sectoral task force to monitor and lay strategies for prevention and control of possible outbreaks. So far, a national strategy has been developed, supported by FAO and other development partners.

The fisheries sub-sector has contributed an average of US\$ 125 million annually to the economy through fisheries exports. Aquaculture development has also been greatly promoted. Several dams and minor lakes have so far been stocked with nearly 7 million quality fingerling over the last three years. Non traditional exports, including maize, beans and other legumes, soya beans, fruits and flowers have maintained their contribution to total export earnings of over 60 percent.

We value the participation and contribution of development partners. We pledge our continued collaboration in all endeavours to overcome hunger and poverty.

**Muhammad Ismail QURESHI (Pakistan)**

The State of Food and Agriculture Report presented to us today has elements of reassurance; but throws up several areas of concern, especially for the more vulnerable, both countries and people. The gaps, agricultural productivity, as well as consumption between the endowed and the impoverished, show little signs of narrowing. If anything, technology is serving to accentuate this asymmetry.

Indeed, this is the challenge that lies at the heart of Pakistan's agriculture policy: to protect and promote small farmer interests while maintaining a growth rate robust enough to lend sustenance to policy initiatives. Having achieved macro-economic stability, that I must say was not painless, but did pay encouraging dividends not the least in the form of an average 7 percent per annum economic growth, we went for a fundamental restructuring of the agricultural sector. This entailed a roll back of state enterprises, untariffed subsidies and support prices except where they were critical to food security or small farmers' interests. These were accompanied with radical trade and tariff liberalization and we supported these reforms with a massive investment in agriculture that grew from less than a billion rupees in fiscal year 2000 to around 12 billion in 2006. These amounts however, do not include investments in the water sector, which we all understand that water is a major limiting factor for the agriculture's growth and productivity. We have tried to ensure food security through:

One, greater availability despite debilitating drought in 2000-2002, we managed an average 4 percent growth rate, with per capita cereals consumption going up from 139 kg to 145 kg. Two, better access - the per capita income has almost doubled over the last five years and the price of essential food kept under reasonable control and three, stability of supplies through trade liberalization unencumbered movements within the country and trade facilitation.

Of course, the battle is far from over. The differential between the farm gate and the retail prices needs to be narrowed further. The package of technology, credit and market access need to permeate to small farmers and food fortification needs to become more prevalent.

With the twin objective of food security and small farmer interests, Pakistan is now following up on a successful pilot, undertaken with FAO assistance, with an ambitious project covering more than 1 100 villages at a cost of eight billion rupees which will be further scaled up, up to 13 000 villages, by the year 2016.

Pakistan has also undertaken an agricultural entrepreneurship project, aimed at enhancing farm gate prices by converting producers into small businesses and ensuring greater value addition. Our efforts to go up the value chain are constrained by the tariff escalation and tariff peaks that our exports face in several markets. We earnestly hope the stalled Doha Round can revive soon and negotiations on agriculture rescued from the intensive care unit to which it seems to have been consigned.

A level playing field in agricultural trade is critical to the world's state of food and agriculture and ensuring greater food security.

It is in this context that Pakistan would like to add its own voice to other countries which preceded me to indicate their concern with the suspension of the WTO Doha Development Agenda negotiations. Pakistan would like to encourage all delegates to send a message to the capitals that there was a deep disappointment expressed concerning the suspension of the negotiations. As the Director General of the WTO has stated, this suspension creates no winners. The Doha Round was intended to be a Development Round, what is the message to developing countries if the WTO cannot conclude such a round.

Pakistan requests that the Council adopt a statement expressing our deep concern about the suspension of the negotiations, urging all WTO members to return to the negotiation table as soon as possible and to engage in serious negotiations and to conclude negotiations in 2007.

However, I just want to submit a few suggestions for further improving the quality of this Report, which I must acknowledge as being an excellent Report. And this is particularly with reference to the external assistance to agriculture.

The Report does not provide any indication of why this decrease in external assistance has occurred. We therefore seek additional information on the likely causes of the decline in external assistance and whether it is expected to continue at these levels or be even lower in 2005 and 2006. Can more current estimations of these data be provided? Can FAO help develop forecast of these data?

The World Bank and the Regional Development Banks have recognized that growth in the agricultural sector and improvement in rural development are the most effective poverty reduction strategies and essential to meet the MDGs. The reduction in external assistance for agriculture indicates that donors may not share the same support for agriculture. Can the Secretariat indicate the types and sources of external assistance that are being reduced for agriculture? At this stage I wish to acknowledge the constitution of a High Level Committee which will be advising the Director-General, FAO, on MDGs. What programmes or activities does FAO have to provide donors with information on the critical importance of assistance to agriculture and poverty reduction, hunger alleviation and meeting other MDGs? What proportion of the external assistance is represented by the food aid shown in tons of yield equivalent? Food aid has also declined in the past two years, especially non cereal food aid to Asia. Can the Secretariat indicate the causes of this decline? FAO should be complimented on putting together this data on external assistance. Pakistan wishes to encourage the FAO Secretariat to provide a better understanding of the elements causing the changes.

The Council will be addressing several important issues that will have a bearing on the cause of under development and how best FAO can address these.

Pakistan urges timely reforms of FAO. Reforms that permit a more efficient utilization of FAO resources in keeping with its mandate, more results based and a more accountable FAO equipped with more effective governance structures.

Pakistan will be happy to make a financial contribution to further agreed reforms.

Finally, allow me on behalf of my delegation to compliment you and Mr Noori, the Chairman of the Council on the great efforts to make this a successful session of the Council. We are fully aware of the behind the scenes work and look forward to your leadership.

**Javad Shakhs TAVAKOLIAN (Islamic Republic of Iran)**

Thank you very much persons of the Council and I am speaking on behalf of the Near East Group Region.

We find document CL 131/2 the State of Food and Agriculture 2006 has been informative, well structured and focusing on the immediate problems. In Part II, the treatment of food insecurity by African Subregions is well appreciated as it brings out more valuable insights. We feel that other regions should have been treated in the same disaggregated manner. We also find it a bit strange that part II makes no mention of food insecurity in Latin America, the Caribbean, the Near East

and North African regions. As shown in the State of Food Insecurity in the World 2006 the number of the undernourished people in the Near East, North America and Central Africa is rising as well as in South Asia.

Food emergency particularly in the countries affected by man-made disaster has become a regular feature and we share the views as expressed in paragraph 10, that man-made disasters do prolong human crisis. Experiences justify to this general conclusion. We are also of the opinion that with vivid signs of the climate change, natural disasters are likely to become more frequent and ferocious, particularly in the drought prone areas, like the Near East and North Africa.

Emergencies also need to be seen in the context of the declining shipment of food aid due to rising prices of the cereals in the world market and the rapid increase in the cost of transport. As shown in table 1, in terms of tonnage, the total shipment of food aid to Asia declined by 44 percent between 2000/01 to 2004/05 and by 14 percent in Africa over the same period. As a result, the fall in the level of the food aid necessitated increases in commercial imports of the cereals by the low income food deficit countries. This in turn diverts the use of their valuable foreign exchange from the importation of the capital goods and services needed for development towards meeting the consumption needs of the people.

External assistance to agriculture is one aspect of the total level of investment going to the agricultural sector in developing countries. Both investment and ODA to agriculture have been on the decline, particularly in sub-Saharan Africa. There are, however, signs that ODA to agriculture may again be on the rise. Although not mentioned in the document, one must also add the minimum share of the foreign direct investment going to the agricultural sector of the developing countries.

In 2005 the levels of crop and livestock production, excluding cereals, have declined following the pattern of recent years, though on per capita basis there are differences among regions with West Asia and sub-Saharan Africa witnessing reverses. Because of the high demand for cereals, the world stock of cereals in 2006 is expected to decline, which again will raise the price of cereals in the world market with adverse consequences for the low income food deficit countries.

Livestock production has been affected by the spread of diseases, reduced particular productivity of the range due to prolonged droughts as in the Near East and the emergence of the Avian Influenza.

The world price of the major agricultural commodities continue to show volatility but with steady upward trend in prices. For developing countries, the exporters of some major commodities will benefit from the high or firm world market prices such as the exporters of cereals, sugar, coffee, cocoa and natural rubber, but some other exporting developing countries will suffer from declining prices such as exporters of tea, cotton and meat.

The prospects for expanding the fair trade in agricultural commodities hangs on the outcome of the stalled Doha Round. Generally, although the upturn in agricultural trade has stabilized its share in total merchandise trade, the situation in the LDCs is a cause for concern as their net deficit in agricultural trade is rising at an alarming rate.

Finally, we appreciate the brief section on forestry and fisheries. In forestry, the main problem facing the developing countries is the shortage of wood for fuel against the rising demand and their low share in the world's production of roundwood. In fisheries, the favourable trend for developing countries is the rapid growth in aquaculture, especially in China and other Asian countries, and the increase in the share of fish products in total agricultural exports.

#### **Alfredo Néstor PUIG PINO (Cuba)**

Deseamos agradecer a la Secretaría de la FAO por la presentación resumida del Informe sobre el estado mundial de la agricultura y la alimentación para el año 2006.

Las cifras que el Informe nos presenta son más que elocuentes y deprimentes y nos permite evidenciar una vez más que los esfuerzos hechos hasta el momento sólo nos han reportado muy



discretos resultados. El escenario mundial continúa siendo desolador, sobretudo para los que lamentablemente no han tenido la oportunidad de bajarse aún del tren de la pobreza, el hambre, la desnutrición o, lo que es lo mismo, del subdesarrollo. El Informe que tenemos ante nuestros ojos es prolijo en cifras, ello nos evita tener que referirnos a las mismas, pero nos muestra una realidad mundial que cada año cobra miles de vidas humanas y mientras ello sucede, este Consejo reitera cada año la importancia y necesidad de tomar las medidas pertinentes para evitar que la humanidad, nosotros incluidos por supuesto, pueda desaparecer por causa de una bomba o por medio del arma de exterminio masivo más fuerte que hay, me refiero a la pobreza y su peor secuela: el hambre y la desnutrición.

En este sentido, la distinguida Delegación de Malí, cuya declaración compartimos, fue ampliamente ilustrativa de esta realidad. El Informe que hemos recibido en la mañana de hoy es bueno, en tanto que nos dice que es lo que está pasando, pero como es tener que referirnos a la misma. En este sentido la distinguida delegación de Malí, declaración que compartimos, fue ampliamente ilustrativa de esta realidad. El informe que hemos recibido en la mañana de hoy es bueno, en tanto que nos dice que es lo que está pasando, pero, como es habitual, no concretiza todas las causas de porqué estamos enfrentando esta situación. Pienso que un aporte importante a este informe en el futuro sería propiciar un debate profundo sobre las verdaderas causas de la pobreza, el hambre y los problemas de desarrollo, por supuesto en el ámbito de la FAO. Entonces sí estaríamos dando un paso de avance importante para su erradicación.

Para los que confían en transformar la FAO y cambiar radicalmente sus prioridades y mantener reducciones presupuestarias en detrimento de los intereses de los principales beneficiarios, podemos asegurar que en modo alguno favoreceremos más propuestas de recortes presupuestarios y mucho menos de aquellos programas que hasta el momento han devenido concretas iniciativas para allanar el difícil y empedrado camino hacia el desarrollo.

#### **Emile ESSEMA (Congo)**

Je me réjouis de vous revoir parmi nous, vous qui avez contribué et continué fortement de forger l'histoire de notre organisation commune. Bienvenu donc à Rome.

Je me réjouis également de l'élection du doyen, son Excellence Monsieur l'Ambassadeur du Cameroun, au poste de Vice-président. L'Afrique en est fière et compte énormément sur sa longue expérience pour que notre session connaisse un aboutissement heureux.

J'aimerais vous dire que ma délégation appuie tout particulièrement, sans réserve, les déclarations des délégations du Cameroun et du Mali, déclarations qui ont souligné de façon claire, au nom du Groupe africain, la problématique et les enjeux de ce point de l'ordre du jour.

Pour la République du Congo le point "débat" suscite indignation. Ce qui se passe de par le monde au sujet de la sécurité alimentaire est une honte, il faut le souligner. En effet, comment expliquer dans un monde qui regorge de tant de richesses que la grande majorité continue de souffrir de faim. Comment expliquer que malgré les Sommets, les Conférences, Groupes de haut niveaux, Symposiums et j'en passe, que ce problème de sécurité alimentaire ne connaisse toujours pas d'avancée significative. Pour notre part, nous disons haut et fort que ce sont les égoïsmes mondiaux qui sont à l'origine des maux des pays en développement. Ces égoïsmes créent de façon cyclique et permanente un rituel infernal de reculs de nos pays. Ce sont des agissements sordides de certains d'entre nous qu'on ne saurait admettre.

On ne peut pas le jour dire oui à l'éradication de la faim et la nuit bâtir des plans machiavéliques pour subventionner l'agriculture chez les uns et l'interdire scrupuleusement à d'autres. Le monde est controversé: qui dit vrai, qui croire? Qu'à cela ne tienne, Monsieur le Président, le résultat d'aujourd'hui devant l'humanité entière, 854 millions de personnes souffrant de la faim dont 820 dans les pays en développement. Le tableau devant nous ce matin montre malgré tout un brin d'espoir si et seulement si de façon courageuse on met un terme à certaines pesanteurs. Tenez, si nous voulons aller de l'avant est-il sérieux de notre part d'avoir suspendu les négociations au niveau des cycles de droit. Pouvons-nous être fiers d'observer encore jusqu'à 2015 une baisse vertigineuse des prix des produits alimentaires, quand on sait qu'à ce rythme les pays en

développement continueront à demeurer des importateurs nets? Est-il possible d'éradiquer la faim si l'aide extérieure à l'agriculture est fortement en baisse d'année en année? Va-t-on sortir de ce carcan infernal si l'aide est donnée à ceux qui n'en ont même pas besoin, et les plus touchés assujettis aux miettes permanemment? Nous ne le dirons jamais assez, pour aller de l'avant il faut avec franchise renverser cette tendance. Tout compte fait, Monsieur le Président, nous avons besoin de volonté. Volonté politique oui mais volonté tous azimuts. Nous avons besoin d'un environnement porteur car la faim et l'amélioration de la productivité agricole demeureront des problèmes écrasants si l'on n'y prend pas garde. Pour notre part, comme entre autres solutions et comme autre voies de sortie, il faut accroître les investissements à l'agriculture, investissements sans restrictions pour permettre aux populations démunies de sortir de l'ornière et aspirer au même titre que les autres à un lendemain meilleur.

**Vladimir HERNÁNDEZ LARA (México)**

La Delegación de México felicita la Secretaría de la FAO por la elaboración del presente documento que contiene un resumen actualizado de los resultados positivos y negativos registrados sobre el estado mundial de la agricultura y la alimentación y sobre cómo inciden en el cumplimiento del objetivo de la Cumbre Mundial de la Alimentación de 1996 y del objetivo 1 de los objetivos del desarrollo del Milenio.

Consideramos que la lucha contra el hambre deba enfocarse más en las personas y con énfasis en los resultados. Para alcanzar la seguridad alimentaria se debe promover un enfoque de vida sostenible e integral que contribuya al crecimiento económico, a la conservación del medio ambiente, al desarrollo humano y a un proceso de cambio dinámico en el mundo, en particular en los países en desarrollo.

Refiriéndonos al caso de México, se aprecia la existencia de una agricultura de contrastes, con sectores altamente competitivos y con sectores con un rezago considerable. Por ello se promueve una sociedad rural dinámica y auto-gestida capaz de generar su propio desarrollo en una dirección en la que los apoyos sean provechosos en pos del desarrollo armónico y sustentado en el sector agropecuario y pesquero. En el sector agropecuario nacional se transita de dar apoyos dispersos por componente al apoyo de proyectos productivos orientados al desarrollo de agro-negocios que propician condiciones de desarrollos sostenibles. Estas acciones han contribuido a que ahora los productores reciban en promedio 38 por ciento del valor final de los productos, rebasando aproximadamente en 20 puntos porcentuales los que recibían en el año 2000.

Un hecho significativo, observado desde una perspectiva sustentable, es que la superficie que cuenta con infraestructura de riego se incrementó del 14.3 por ciento en el año 2000 al 22.7 por ciento en el 2006 de la superficie total, con el consecuente incremento de la producción agrícola. En el sector pecuario, durante 2005 la producción nacional de carnes experimentó un incremento del 2.1 por ciento con respecto al año anterior. En el sector de la pesca, destaca el caso del atún, industria en la que se cuenta con una flota moderna de altura que permite al país combatir en el mercado mundial.

El acuacultura y la maricultura están siendo alentadas como alternativas reales para impulsar el desarrollo regional en algunas regiones del país que tienen altos índices de marginación, así como problemas de sobre-explotación pesquera, de manera particular, sobre-excede la producción de camarón en instalaciones acuícolas, en razón de que esta actividad se ha convertido en el principal generador de divisas del sector. El aprovechamiento sustentable de las pesquerías tradicionales está siendo complementado por un Plan Nacional de Acción Contra la Pesca Ilegal, en el que han participado diferentes organismos de productores privados y sociales, que fungen como corresponsables junto a la autoridad gubernamental.

En México se ha impulsado la creación y el fortalecimiento de instancias de participación, donde la sociedad rural tiene voz y voto en la configuración y orientación de los programas del sector. A la vez, se ha establecido un marco jurídico amplio y operativo que da certeza y visión de largo plazo a las políticas de estado relacionadas con el sector agropecuario y la pesca.

El gobierno de México también ha realizado esfuerzos en materia de sanidad, inocuidad y calidad agro-alimentaria, reconociendo con ello la importancia de estos temas para la salud del consumidor así como para concurrir a los mercados nacional e internacional. Asimismo, hemos establecido algunos programas orientados a atender necesidades específicas de los productores, por ejemplo el fondo para atender a la población rural afectada por contingencias climatológicas, cuyo objetivo es apoyar a los productores rurales de bajos ingresos afectados por contingencias de carácter climatológico. Otro más es el Programa Integral de Agricultura Sostenible y Reconversión Productiva en Zonas de Siniestralidad Recurrente, que tiene por objetivo propiciar apoyo subsidiario a los productores rurales que habitan en regiones afectadas por la sequía recurrente o en suelos erosionados.

Por último, México reitera su compromiso para cumplir la meta de la Cumbre Mundial de la Alimentación en el plazo establecido, e incluso ir más allá del 2015, ya que la erradicación de la pobreza y lograr la seguridad alimentaria de la población constituye un objetivo inherente al propio desarrollo de los países.

**Zaneal BACHRUDDIN (Indonesia)**

I am speaking on behalf of the Indonesian delegation, first let me express my appreciation to the Secretariat for providing the Council Members an excellent document sending a comprehensive assessment on the State of Food and Agriculture 2006.

The concern is especially regarding the climbing trend of agricultural commodities production as indicated in paragraphs 18 to 23 although Asia and the Pacific production is higher than that of other regions. Such indication may show us that agricultural production problems, productivity income growth can cause dispensable contribution to reduce food insecurity and poverty. In dealing with such declining trend in most agricultural commodities production, especially in developing countries, it is important for us to look into and consider the following proper solutions that may require attention and support by all parties concerned. Such as; increasing expenditure on agriculture infrastructure development, fostering the private sector in critical infrastructure development such as irrigation, rural development and extension, provision of farming incentives and facilities in the spirit of market correction and dynamic reformulation of price policy for the benefit of the farmers and household food security development.

Regarding paragraph 43, it is very important to note that the WTO negotiation has somehow reached a certain compromise position that can accommodate the interest of developing countries concerned. Especially on market access where different countries, will have the flexibility to sign an appropriate number of tariff lines for special products and special safeguard mechanisms essential for food security, livelihood security and rural development. In addition, other important issues have been agreed, amongst other domestic support and export subsidies. Indonesia sees that an acceptable agreement on special products and special safeguard mechanisms proposed by the Group of 33. It is necessary to prepare flexibility for the developing countries in signing the domestic policy to promote trade, livelihood, food security and sustainability, it is therefore necessary that developing countries must maintain their full spirit to continue to support and secure the concept of special products and special safeguard mechanisms as proposed by the G33.

**Manuel Pedro PACAVIRA (Angola)**

C'est un grand honneur pour moi de prendre la parole pour la première fois dans ce Conseil dans mon rôle de Représentant Permanent de l'Angola auprès de la FAO. Permettez-moi de féliciter les trois vice-présidents pour leur élection, ainsi que la Fédération de Russie qui est maintenant un nouveau membre de notre Organisation. Je souhaitais aussi saisir cette occasion pour présenter par le biais de la FAO les plus vives condoléances de ma délégation pour la perte tragique des hauts fonctionnaires de l'Organisation de l'Egypte dans l'accomplissement de leurs devoirs pour le bien de l'humanité.

Monsieur le Président, l'Angola se félicite de l'appréciation globale de la situation de la sécurité alimentaire mondiale faite par le Secrétariat. Nous sommes heureux d'apprendre que des résultats positifs ont été enregistrés dans certaines régions du monde. Par contre, dans certaines autres

régions, nous avons vu qu'il y avait une baisse préoccupante due à plusieurs facteurs. D'une part, en raison d'aléas climatiques d'autre part, il y a eu des raisons différentes et plus significatives. Il s'agit des conflits et de l'instabilité sociale qui ne sont pas toujours dus à la responsabilité ou à la simple volonté politique des leaders des pays.

C'est avec une grande préoccupation que nous prenons note de la situation alimentaire en Afrique australe, qui est une des régions à laquelle appartient mon pays. Et nous sommes également assez préoccupés de ce qui se passe dans d'autres pays de l'Afrique sub-saharienne.

Permettez-moi, toutefois, de souligner que mon pays depuis déjà quatre ans, enregistre des indices de croissance élevés au niveau de la production agro-silvo-pastorale et notamment pour ce qui est des petites unités familiales. Je voudrais dire que nous avons pris plusieurs mesures macro-économiques qui contribuent au relancement de l'économie nationale, à la réduction de l'inflation et à l'augmentation des investissements étrangers afin d'éradiquer la pauvreté dans notre pays. Je voudrais, dans ce contexte, signaler les investissements qui ont été réalisés dans les secteurs de l'agriculture et de la pêche par le biais de plusieurs projets et programmes, qui ont pris en compte un nombre considérable de familles. L'objectif étant d'atteindre l'autosuffisance alimentaire et nutritionnelle.

La situation de sécurité alimentaire en Angola a enregistré des améliorations significatives. On a pris en effet en compte l'augmentation des investissements, la construction et la rénovation de ponts, de voies de dessertes, l'amélioration aussi des systèmes de distribution d'eau potable et l'installation de puits et de pompes dans les zones rurales. Pendant l'exercice 2005-2006 nous avons enregistré une disponibilité régulière des principaux produits alimentaires, ce qui a permis que les prix ne souffrent pas de variation très accentuée. Face à cette nouvelle situation qui perdure dans le pays, le PAM a commencé à réduire progressivement ses activités en Angola.

L'effort principal qui doit être déployé pour inverser la situation préoccupante que connaissent plusieurs pays doit en tout premier lieu provenir des gouvernements de nos pays, comme cela a été dit ici même dans cette salle. Mais nous ne devons pas non plus oublier de reconnaître que face à la situation délicate que connaissent ces pays, il est également important de faire participer les institutions financières internationales, ainsi que l'APD – l'aide publique au développement des pays développés. Ce n'est qu'au prix de cette collaboration que l'on pourra modifier la situation et atteindre les objectifs qui ont été préconisés pour 2015. C'est pourquoi nous souscrivons aux suggestions qui ont été formulées par les délégations qui m'ont précédé dans l'usage de la parole, je parle notamment des délégations du Mali et de l'Inde. Pour terminer, je voudrais vous remercier de votre attention.

#### **Fernán VALER CARPIO (Perú)**

En aras de contribuir con su preocupación, la Delegación de Perú ha cumplido con presentar su declaración de manera escrita.

#### **Sra. Cecilia LEIVA M. (Chile)**

En primer lugar quisiera agradecer por el Informe que nos han presentado por parte de la Secretaría que pone en evidencia la grave situación de inseguridad alimentaria que aún persiste y que afecta a más de 850 millones de personas a nivel mundial y, por lo tanto, la dificultad de cumplir con nuestras metas. Sin embargo, es necesario señalar la conveniencia en futuros informes de profundizar en el análisis de las causas que impiden alcanzar nuestras metas propuestas y definir propuestas adecuadas para invertir esta tendencia.

Compartimos la afirmación contenida en el informe en cuanto a que, si bien la seguridad alimentaria es más que un problema relacionado con la producción de los alimentos, el aumento de la productividad y de los ingresos en el sector agrícola pueden hacer una contribución importante y es, en algunos casos, indispensable. Por ello estimamos que se requiere incrementar la inversión en agricultura y hacerlo de manera que permita lograr una mayor distribución de los beneficios que produce, es decir, que las ganancias lleguen al agricultor primario y, en especial, a la agricultura familiar campesina. La política agrícola chilena se propone consolidar al sector

como productores y exportadores de alimentos, por lo tanto, dándole un reimpulso a lo que hemos llamado ambiciosamente constituir Chile en una potencia agroalimentaria, focalizando los factores que son decisivos para la competitividad del país, fortaleciendo la inserción en los mercados internacionales, con especial dedicación a los temas de la calidad como factor central de la competitividad, respecto del medio ambiente, asegurando sostenibilidad al desarrollo agrícola y forestal y una responsabilidad social empresarial, especialmente desde el punto de vista laboral, ambiental y el compromiso con la comunidad. Lo fundamental es lograr realmente una articulación público-privada que se comprometa con estos ejes de desarrollo.

Por otra parte es necesario revisar y readecuar el sistema de innovación, investigación, transferencia de tecnología y extensión con lo cual estamos incrementando significativamente nuestro gasto público en estas áreas y que sirvan también de estímulo, mayor aporte del sector privado, junto con mejorar la calidad y la cantidad de los mecanismos de transferencia y de difusión tecnológica. Pero otro aspecto que es fundamental es que este desarrollo, este reimpulso que queremos de la agricultura sea de carácter inclusivo, por lo tanto, que disminuya la brecha sociocultural y económica en los sectores más postergados del mundo rural y crear nuevas oportunidades mejorando los servicios a los productores familiares, revisando los programas de fomento con el propósito de remover todas las trabas que dificultan su utilización por parte de las empresas familiares campesinas.

En síntesis, queremos un desarrollo agrícola y un campo con campesinos tal como lo ha señalado en su Programa de Gobierno la Presidenta Bachelet.

A lo anterior se agrega, por lo tanto, readecuar toda nuestra institucionalidad hacia un Ministerio de Agricultura y Alimentación, pero por otro lado también nos hacemos parte de este gran desafío que se ha planteado la FAO en el incremento de las fuentes renovables de energía, integrando agroenergía y biocombustible en el marco de una política ambiental y forestal que compatibilice crecimiento y protección a la naturaleza y la equidad social.

Estos objetivos de desarrollo requieren que se produzcan avances en materia de disminución de subsidios y de las barreras no arancelarias como requisito esencial para que los países puedan competir en igualdad de condiciones y crear las condiciones para un comercio libre. Por lo tanto, tiene que haber un compromiso y reanudar la ronda de Doha y sacar realmente conclusiones efectivas.

Por último, ya que aquí se ha hablado tanto del tema de la cooperación internacional, de los programas de inversión, ya sea donaciones o créditos a los países en desarrollo, creemos que hay que revisar los términos de intercambio que se producen en ello. Muchos de los costos de estos programas que afrontan los países en desarrollo son a través de la asistencia técnica y, por lo tanto, los recursos comprometidos que llegan efectivamente al usuario son muy pequeños.

Y finalmente se planteó aquí el tema de la sequía, de la disponibilidad de agua para incrementar la productividad, por lo tanto, es necesario reforzar el tema del cambio climático.

### **Monsieur MONJA (Madagascar)**

La délégation de Madagascar voudrait joindre sa voix à celles des délégations qui ont manifesté leur plaisir de présider à nouveau les travaux du Conseil. Nos félicitations s'adressent également aux trois Vice-Présidents pour leur brillante élection. Nous sommes convaincus que sous votre présidence éclairée et grâce à votre compétence et vos qualités personnelles, nos travaux seront couronnés de succès.

Qu'il me soit permis ici également de rendre hommage au Secrétariat de la FAO et en particulier à Monsieur Pingali pour sa brillante présentation, pour la qualité des documents soumis à l'examen du Conseil.

La délégation de Madagascar a examiné avec attention le document CL131/2, notamment les points: "Tendances en matière de sous-alimentation", "Assistance extérieure à l'agriculture", "Situation d'urgence et aide alimentaire", etc. En effet, la situation alimentaire en Afrique est évoquée de manière particulièrement inquiétante. L'Afrique australe, l'Afrique de l'Est, l'Afrique

de l'Ouest sont les sous-régions les plus touchées. Il est évident, que ces régions méritent vraiment une attention particulière par la Communauté internationale. La délégation de Madagascar regrette le déclin de l'appui que la Communauté internationale accorde à l'investissement rural en Afrique par rapport aux autres sous-régions.

Pour terminer, Monsieur le Président, j'appuie les déclarations des honorables délégués du Mali, du Congo et du Cameroun. Je vous remercie.

**Alexander A. TITARENKO (Russian Federation)**

First of all, this delegation would like to thank through you, the Chair, His Excellency Mr Noori-Naeini for the kind words about the Russian Federation, a co-founder of FAO, which has entered this United Nations specialized agency in April this year.

Taking into account the great experience of Mr Noori-Naeini and his abilities to solve the most difficult issues raised here, we believe that under his leadership and your assistance as a Vice Chair, the Council will reach consensus decisions on matters to be discussed.

To save time I will not repeat what the Minister of Agriculture of the Russian Federation has said at the recent session of the CFS, where he has indicated the attitude of the Russian Federation in relation to the role of FAO and prospects of our participation in its activity. I have only a few remarks.

The Russian Federation supports the international fight against hunger, poverty and malnutrition and further development of the process launched by the World Food Summits of 1996 and 2002. The Russian Federation is ready to take maximum efforts towards achieving the Millennium Development Goals. Like other speakers, we note with concern that the progress is far from expected in this field. All of us should think what can be done to change this situation in a better way.

We would like to confirm our readiness to participate in programmes and projects of direct humanitarian food aid, to people suffering from natural disasters, conflicts and other emergency situations. We support the results of the last session of the CFS and consider that the FAO and CFS, in particular, should pay more attention to such global challenges like infectious diseases and especially to Avian Influenza, one of the most dangerous one by its possible consequences on human beings, especially in rural areas.

We would like to thank the Secretariat for the preparation of documents on this and other issues. At the same time, we express our hope that in future the documents such as the Report on the State of Food and Agriculture will be prepared beforehand so as to give the delegations the possibility to study them thoroughly and express their views on these key issues of FAO activities.

In the end, we would also like to thank all delegations which have welcomed the Russian Federation as a full Member of the Organization and especially those who have participated in the Russian Federation flag raising ceremony on 1 November 2006.

**Sra. María DEL CARMEN SQUEFF (Argentina)**

A la Delegación Argentina le complace enormemente que el Sr. Noori esté conduciendo este Consejo porque sabemos que su trabajo contribuirá al éxito de la reunión. Asimismo, deseamos dar la bienvenida a Rusia que ya ha participado activamente en el Comité de Seguridad Alimentaria.

Deseo agradecer al Sr. Pingali por el documento presentado; en ese sentido deseo apoyar a la distinguida delegación de Camerún, Canadá, Australia, USA, especialmente a Brasil y a todas las otras que han marcado y han hecho un fuerte hincapié en la necesidad de retomar las negociaciones de Doha. En ese sentido, la Representación Argentina desea referirse a dos puntos del documento. Concretamente al punto 4 resumen párrafo 53, ese párrafo destaca en el antepenúltimo punto que: "La negociación en el seno de la OMC sobre Comercio Agrícola constituye un paso importante en la reducción general de las ayudas internas que distorsionan el

comercio y en la eliminación de las reglas restrictivas de las exportaciones". Al respecto, estimamos que sería conveniente remarcar que las negociaciones agrícolas en la OMC, además de reducir el apoyo interno distorsivo y eliminar los subsidios a las exportaciones, también incluyen disciplinas para aumentar sustancialmente el acceso a los mercados y estas disciplinas son muy importantes para reformar todo el sector agropecuario y lograr el crecimiento y desarrollo de los países más pobres; estos conceptos están en línea con lo expresado por el Director General de la Organización, el Dr. Diouf, en el discurso de apertura del Comité de Seguridad Alimentaria. En tal sentido, se propone en la medida de lo posible y atento a nuestra calidad de Observador, incluir el texto que he mencionado en el documento. Asimismo, esta Representación desea mencionar con relación al punto sobre Comercio Agrícola párrafo 43 lo siguiente: en el párrafo 43 se dice "Además los Países en Desarrollo podrán recurrir a un mecanismo especial de salvaguardia basado en la cantidad de importaciones y en los precios mínimos de importación". En el Programa de Trabajo de Doha solo se menciona el establecimiento de un mecanismo de salvaguardia especial, que podrá ser utilizado por los Países en Desarrollo, nada dice Doha por el momento con relación a los gatillos, ya sea en volumen y/o precios; tal cuestión hoy esta siendo debatida y es sujeta a negociación. Por lo tanto, nuestra propuesta es eliminar dicha frase o bien limitarla hasta la palabra "basado".

**Mme Marièm MINT MOHAMED (Mauritanie)**

La Mauritanie s'associe aux autres intervenants pour féliciter le Secrétariat de nous avoir fourni le document CL131/2 et de nous avoir donné des informations parfois bonnes mais aussi parfois mauvaises sur la situation de la sécurité alimentaire dans le monde.

La sécurité alimentaire menace encore les pays en développement où une personne sur trois est victime de l'insécurité alimentaire comme l'a signalé l'intervenant Monsieur Pingali.

C'est en Afrique sub-saharienne que la prévalence de la sous-alimentation est la plus élevée. Actuellement, trente pays souffrent de pénurie alimentaire grave dont vingt-quatre dans des pays d'Afrique. Les causes, on peut citer la croissance démographique, les mauvaises gestions économiques des pays, les troubles politiques qui provoquent des guerres. Mais surtout le plus important ce sont les maladies et la sécheresse qui frappent ces pays. Alors que l'aide alimentaire a baissé et a entraîné des baisses au niveau de vie des foyers.

Nous connaissons depuis plus de deux ans des problèmes de grippe aviaire qui a connu une réaction dramatique des consommateurs à cause de l'interdiction de la consommation de volaille, ce qui a eu pour résultat un recul remarquable de protection dans ces pays.

Actuellement, les prix de matières premières sont en hausse et l'augmentation de plus de dix pourcent, cela est très lourd pour les pays en développement qui importent davantage de produits alimentaires et animal.

L'OMC a approuvé un accord cadre dans le secteur de l'agriculture du cycle de Doha tel que l'élimination des subventions à l'agriculture ou la réduction des tarifs douaniers pour les pays en développement. Mais jusqu'à cet instant aucun accord n'a été conclu concernant ces modalités. Par la même occasion, j'aimerais que le Secrétariat nous dise le pourquoi.

Les pays en développement, surtout les pays sub-sahariens, ont besoins d'assistance aussi bien en termes de renforcement de capacité qu'en termes d'apports financiers pour investir dans l'agriculture. Ils ont aussi besoin d'assistance de formation, d'assistance technique pour les aider à sortir de la faim et de l'insécurité alimentaire.

Pour terminer, je voudrais appuyer l'intervention des Représentants de l'Iran, du Cameroun, du Mali et de Madagascar pour leur intervention.

Des pays en développement et surtout les pays sub-sahariens, ont un besoin accru d'assistance aussi bien en terme de renforcement des capacités qu'en terme d'apport financier pour investir dans l'agriculture. Ils ont aussi besoin d'assistance dans le domaine de la formation, d'assistance technique pour les aider à sortir de la faim et de l'insécurité alimentaire. Et pour terminer, je

voudrais appuyer les Représentants de l'Iran (République islamique d'), du Cameroun, du mali et de Madagascar pour leur intervention.

**Abdoulaye TRAORE (Guinée)**

Je voudrais remercier le Secrétariat pour le rapport très instructif qu'il nous a fourni sur la situation mondiale de l'alimentation et de l'agriculture en 2006. Malheureusement pour l'Afrique, au Sud du Sahara en particulier, c'est une image d'échec successif que ce rapport nous renvoie. Quoique la description qu'il en donne doit être nuancée selon les régions et les pays. Quels sont les éléments essentiels de cette image? Premièrement, c'est la région qui a le plus fort pourcentage de populations sous-alimentées. Deuxièmement, c'est la région où le nombre de personnes sous-alimentées est en augmentation. Troisièmement, c'est aussi la région dans laquelle des bénéficiaires d'aide alimentaire sont en diminution. Quand on rapproche cette image de la tendance décrite dans le rapport, de l'évolution à long terme de l'aide extérieure à l'agriculture, on est en droit d'être inquiet pour le futur. N'est-ce pas notre approche, notre façon de nous attaquer aux problèmes qui est en cause? Je pense que nous avons besoin d'innover pour: premièrement encourager les bailleurs de fonds à reprendre à augmenter leur aide à l'agriculture; s'assurer que les producteurs agricoles vont pouvoir être assistés de plus en plus directement, ce qui ne manquera pas d'avoir un impact positif et rapide sur l'augmentation des disponibilités alimentaires; s'assurer que les accords sur le commerce mondial soient équitables en tenant en particulier compte du niveau très différencié du développement entre les parties aux négociations pour éviter que les accords ne soient un frein au développement des pays moins avancés.

**Mohamed ELTAYEB ELFAKI ELNOR (Sudan) (Original language Arabic)**

I would like to congratulate you on your guidance for our work during this session. Information contained in the document 131/2 is extremely important, this information has been circulated in other fora as well and it highlights the importance of the information and the importance of the document.

I think that there is unanimity with regard to the expression of fears with respect to the situation in the Sub Saharan Africa, and we can see that the situation in African countries is very different from the situation of other countries and regions. Sudan is itself a victim of those things which were affecting this region of Africa and the emergence of new conflicts in Africa as you know.

Sudan is a wealthy country in agricultural terms, because it is able not only to be self-sufficient but also to assist others. And I think that Sudan needs assistance in order to implement the agricultural development plan. The primary aim is to reduce the number of people suffering from hunger by 50 percent. Sudan has succeeded in certain regions and, in particular, in rural areas following the peace agreement that was concluded.

These rural zones require new projects and International Organizations, donors, our organizations have a duty to assist and provide aid to these regions, in order to provide a food and agricultural aid to these zones. Sudan has opened its doors to foreign investment, we have appealed to all the financial institutions and all donor countries to participate in this effort.

The Organization is well aware of the effort that has been made by Sudan which devoted US\$5 million to this effort and we hope that the appeal that we have launched will see an effect.

In Sudan we would like to provide more technical assistance, more assistance for preparation of projects and programmes.

I would like to support the points that were raised in the declaration made by the Chairman of the Near East Group, who highlighted in particular the importance of foreign investments for agriculture. I just would like to support what was said by the representatives of Madagascar, Kenya and other countries who emphasized the need to focus special attention on Central Africa, in order to find the appropriate solutions to help us to achieve the Millennium Development Goals.



**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

Allow me to welcome you as our Chair for this afternoon and the other Vice-Chairs and Mr Noori-Naeini, our Independent Chair, for steering the business of the 131<sup>st</sup> Council Meeting.

On behalf of my own delegation and indeed on behalf of the G77 and China we wish to welcome the Russian Delegation which is attending this Council for the first time as a full Member and we look forward to their contribution and we hope to share many ideas in the various platforms in which we will meet them.

Allow me to acknowledge, right from the beginning, the various statements made by the individual member states that have outlined their initiatives in contributing to the achievement of the eradication of hunger at national level and especially I wish to acknowledge those statements that were made by the group from which I originate, that is the G77 in China, and indeed the Group of Africa. They were speaking of the problems and challenges that my own country also experienced in this area.

The CFS Report on the State of Agriculture and Food Security and of the versions that were made by the Director-General this morning suggest that unless we change we might not meet the Millennium Development Goals as planned. It would be very sad because the farmers out there are expecting us to help them to achieve this objective.

Let me also proffer my sincere appreciation of the informative presentation that was made by Mr Pingali. I think he highlighted all the key areas and most importantly I wish to isolate the element of investment in technical assistance which FAO has identified as essential for increased food security. There is no doubt that foreign investors do play a critical role in ensuring food security, but such investments should seek to address our own local food security objectives through the poverty reduction strategies. In this regard, we note that our development partners in the north have committed themselves to increasing ODA in line with their monetary commitment. We hope that agriculture and rural development who will receive the lion's share of this aid; in particular, in field operations and in supporting institutions, such as FAO, IFAD and others that have a direct bearing on agriculture. The facts that have been put before us this morning speak for themselves, therefore, in the case of FAO it has to enhance its role in agriculture for it to remain on a static budget or to remain cutting programmes it is a non starter because the facts that were presented to us this morning demonstrate that it cannot be business as usual, we have to change our thrust.

The plight of farmers in Africa was clearly highlighted in the present version and also even in the many fora the word trade has been discussed. So like others who have spoken before us, we wish to urge the resumption of the Doha negotiations. Unless we have a clear understanding of how fair trade can be carried out among ourselves and the elimination of trade distorting measures, we will continue to face the challenges we do in the agricultural trade today. To that extent we also wish to underscore the element of resuming the Doha negotiations.

In the same vein, it is important to stress that local trade and intra regional trade needs to be further developed in Africa. We therefore urge that in the new ODA parameters the issue of aid for trade be given particular attention.

Zimbabwe is a country that is fully committed to the attainment of the Millennium Development Goals and is determined to achieve these noble Goals in the prescribed period. In this respect, FAO and other Rome based organizations have been worthy partners for us, for example, through FAO policy advice FAO TCPs and pilot projects that we have implemented in the Special Programme for Food Security in 1997, my Government has identified critical areas and have come up with a comprehensive strategy to address the issue of national food security. Following this through the agriculture sector productive enhancement facility the Government has coordinated and empowered the private sector and individual farmers in an effort that has seen more than 500 tractors being put in order to enhance mechanization. This is as part of drive to plug the mechanization gaps that we had identified in our agricultural sector. Other agriculture equipment has also been included in this programme.

Government has gone ahead to follow up on the Maputo commitments by prioritizing agriculture and working towards Maputo targets in the area of achieving the national budgets. To hasten this, Government has drastically reduced import duties on a number of agriculture equipment so that the private sector can participate by following these incentives.

The other challenge that we have identified and which we see also in other countries is that of input supply. For example, with us this year we have had to import 270 000 tonnes of fertilizer to complement our own local production because we have realized that with the progress in our agrarian reform the demand for fertilizer now far outstrips what we can produce. In Bamako when the African Region met the issue of fertilize manufacturing and enhancement of supply was discussed and we wish to draw this to the attention of this body that unless and until such a time Africa can access adequate fertilizers and other inputs our production will remain low.

Very often small-scale poor rural farmers fail to produce because they cannot afford these inputs on their own. In our case, to enhance their participation, the Government has embarked on a programme to enhance input to small-scale farmers and we have run this programme for quite some time. We know they can borrow and return in record time.

We also note that there is a need to encourage post-production activities in order to enhance food security and increase rural incomes. In pursuit of this, our central bank has come up with a facility and it is enhancing small-scale enterprises through concessional loans in order for them to embark into manufacture locally, small agricultural tools and to embark in processing of agrical produce in order to reduce food loss, but to enhance food value.

This is being executed not only with public resources, but in partnership with the private banks, private sector and local and multinational partners that have come on board on this.

Finally, in our efforts to achieve food security, let us not forget that in many African countries these are traditional food safety nets that can be utilized and enhanced to achieve this goal. In Zimbabwe to combat food insecurity and the effects of HIV/Aids the Government has resorted to this and it is lending support to the traditional practice which we call the Zundera Mambo, the chief's initiative, which involves villagers setting aside a few hours of their own labour per week to produce for their own reserves for the needy and for the leaner times in their own communities.

The Government comes in with the supplies of inputs and we have seen that if this programme was enhanced the rural communities can begin to be self-sufficient within their own villages. The programme is helping Zimbabwe to cope with its problems of HIV/Aids and with addressing food insecurity. We are sure that such a programme can also help other traditional communities.

#### **Nils FÄRNERT (International Federation of Agricultural Producers)**

First of all I would like to thank you for giving us the floor. As our Chairman said at the CFS, food security is a vital question for IFAP. Out of around 850 million people starving every day 50 percent are farmers, an additional 25 percent are other people living in rural areas like farmhands. IFAP has a membership of more than 600 million farm families. We therefore care for more than one third of the world's population.

At the CFS, the wish was also expressed that FAO should invest more in helping the small farmers to produce and market more and better products. The Director-General in his important speech today confirmed that investment in agriculture is the main tool for combating hunger. We are, therefore, worried about the staff cuts at FAO of personnel working on farmers' organizations and cooperations, and also about the substantial cuts of the resources to be given to nutrition.

We are also concerned about the fact that FAO is embarking on modern work which diverts resources from the main priority of fighting hunger. We welcome the statement by the honourable delegate from the United States of America who suggested that FAO, from time to time, should look at their priorities. I can only say that the work having been started by FAO on advertising cannot really be a priority for the Organization.

As other examples on margin work I can mention introducing the WHO Global Strategy on Diet, Physical Exercise and Health into the work of Codex Alimentarius and the revision of the FAO/WHO recommendations on carbohydrates.

The FAO Secretariat has accepted the WHO Global Strategy, not the Membership and has already spent substantial sums and time on this matter. I will not go into detail, only point out that WHO Global Strategy only deals with overnutrition, not undernutrition which is the priority of FAO, and why should it not be an FAO Global Strategy, instead of a WHO Strategy.

When the Global Strategy was launched in 2004, Dr Gro Harlem Brundtland, then Director-General of WHO said that the Report 916 from an Expert Consultation by FAO and WHO on Diet, Nutrition and the Prevention of Chronic Diseases was used as a critical science-based foundation for the WHO Global Strategy on Diet, Physical Exercise and Health.

The Secretariat at WHO said about the same thing when the Strategy was introduced. However, a great majority of FAO Membership, both at COAG and Council, has rejected Report 916 because it was said to be anti-agriculture, which is very important to us, and also that it lacked proper science. In this situation it seems difficult for FAO to accept the WHO Global Strategy.

We would like to make the observation that much of the marginal work is done without any transparency in relation to the Member Countries. You may remember that Brazil in connection with last year's conference expressed strong criticism about lack of transparency in part of the work at FAO. The latest example of lack of transparency, is if I may say, the secret meeting of forty four experts in Geneva in the summer of 2006 where the FAO/WHO Secretariats proposed that the term dietary fibre should only refer to products with plant materials not with animal materials – a question of great importance for many Member Countries of FAO and of great importance for the poor farmers. Many countries protested against this principle.

Finally, to repeat, I would like to say that IFAP wanted FAO to divulge all possible resources to help farmers to produce and market more and better products, thus relieving them from the evils of hunger and disease, but, I must finally say that we are full of optimism. With the good assistance of FAO and many other good parties we think that we, by working together, can create, for many of the poor farmers, good living conditions.

#### **Jean Luc ANGOT (Organisation mondiale de la santé animale)**

Au nom du Directeur général de l'OIE, l'Organisation mondiale de la santé animale, je tiens tout d'abord à remercier la FAO pour son invitation à cette Session du Conseil. L'OIE a notamment comme mandat la diffusion de l'information sanitaire mondiale à ses 167 pays membres et l'élaboration de normes zoosanitaires reconnues par l'Organisation Mondiale du Commerce. La lutte contre les maladies animales est importante d'une part pour la réduction de la pauvreté et d'autre part pour l'amélioration de l'accès au marché mondial des animaux et des produits d'origine animale.

L'OIE et la FAO collaborent étroitement à plusieurs niveaux. Dans le cadre d'une part du programme sur les maladies transfrontalières GFTATs, du nouveau centre de gestion des crises sanitaires et des centres régionaux de santé animale, du réseau de laboratoire pour la grippe aviaire au *flu*, du système d'alerte rapide avec l'OMS "GLUS" et également le programme du *Codex alimentarius*.

L'OIE et la FAO ont élaboré un document commun pour la prochaine Conférence des donateurs sur la grippe aviaire, qui se tiendra à Bamako en décembre prochain comme l'a indiqué ce matin le délégué du Mali. La FAO est également Membre du Comité Conseil du fonds mondial de la santé et du bien être des animaux récemment créé par l'OIE.

Je terminerai, Monsieur le Président, en rappelant qu'il est nécessaire de renforcer les services vétérinaires dans les pays pauvres et de considérer leur mise en conformité avec les normes de qualité de l'OIE comme un investissement prioritaire. Nous travaillons actuellement avec la Banque mondiale et d'autres bailleurs de fonds dans ce domaine.

## LE PRÉSIDENT

Avant de donner la parole à Monsieur Pingali pour faire ses commentaires, en ce qui concerne le deuxième membre du Comité de rédaction pour le Moyen-Orient, l'Oman est proposé par le Moyen-Orient comme second membre du Comité de rédaction. Si le Conseil n'a pas d'objection nous confirmons la candidature d'Oman et je félicite le Représentant d'Oman.

Maintenant, j'invite M Pingali, Directeur de la Division de l'économie et du développement agricole à répondre aux questions et aux commentaires soulevés au cours des débats et apporter les clarifications nécessaires

### **Prabhu PINGALI (Director, Agricultural and Development Economics)**

Thank you all for your comments and compliments and criticisms. We have appreciated both as we tried to do better with the State of Food and Agriculture Report.

Some of you have raised the concern that the document was late this year. I would like to apologize for that and we hope that we can stick to the timetable in the future. Some of you have asked for a copy of the Powerpoint presentation that we used this morning, and I would like to say that the presentation will be printed out and it will be available at the Documents Desk by midday tomorrow. We also will be putting the electronic version of the presentation on the ES Department Web site, so therefore you may also download it from the ES Department Web site.

There were some concerns about the data used in terms of the latest available numbers and whether we could have even more later years to report on. I would like to say that our ability to provide you with the latest possible data is constrained quite often by the timeliness of the data being available from the various sources that we get the data from. Also the cut-off dates before we could finish the analysis to get the Reports done to the extent that we could get as latest date as possible – that is what is listed in the document that you have. However, a lot of this information is also available in other documents such as the Food Outlook and the final State of Food and Agriculture document, the final Report itself and also the State of Commodity Markets Report. There is a whole series of Reports that will come out over the next few months which will have even more updated versions of this data available for you to look at.

There were several comments regarding the data on declining external assistance to agriculture and there were suggestions that we need to look at this data more carefully and try to analyse the data more carefully showing where the declines are under which competence of the external assistance, to which parts of external assistance, do we see the declines, etc. We have made a note of that and we hope that when we come back to you next year with another State of Food and Agriculture Report to be able to provide you with much more detailed information on this issue.

There were also several people who asked for more detailed analysis on the causes of food insecurity, not just reporting on the trends and I would like to inform you that we did provide you in the last CFS with a fairly detailed assessment on the causes of food insecurity, some of the lessons learnt and the way forward. Much of that information is available in the latest issue of State of Food Insecurity, SOFI 2006. If you look at that you will see the Secretariat's assessment in terms of some of the primary causes of food insecurity and some of the ways forward that we suggest in the Report.

Fortunately, there were not that many direct questions addressed to us regarding the Report, but I would like to bring out some of the common comments that came out, some of the common themes that came out from the commentary. I think one very common theme that came out was that there is a lack of progress on World Food Summit and Millennium Development Goals targets, especially among the Least Developed Countries. Many Members linked this negative situation to agricultural stagnation, low productivity growth, especially among the Least Developed Countries, widening agricultural trade deficits and marginalization of the Least Developed Countries but also of several regions even within countries that are progressing quite rapidly, and Members reiterated the need for increased investment in agriculture in these countries to promote agricultural production, productivity and income growth.

I think a second set of thematic commentary was around the WTO Doha Development Round and the fact that one needs to bring the negotiations back on track, recognizing the role of FAO in supporting developing country Members in negotiations and in adaptation to globalization. This is an issue that Mr Alexander Sarris will take up in greater detail right after my intervention.

The third broad area that was brought up by several Members was Avian Influenza and the threat, the global threat of Avian Influenza to food security. There was recognition of the role of FAO in coordinating the international response along with other UN Agencies and this was seen as a model for UN cooperation across Agencies.

A final thematic comment that came out from several Members was concern about extreme events, extreme threats to food security, especially climatic events and their consequences in terms of food security through increased incidents of drought, etc. and the need for action to mitigate and adapt to climate to change and to better manage emergencies as a whole.

I would like to stop there and maybe Mr Sarris has some more to add.

## **LE PRÉSIDENT**

Avant de conclure le point 3 de l'ordre du jour j'invite l'Assistant Directeur général pour le Département économique et social pour donner quelques clarifications.

### **Alexander SARRIS (Officer-in-Charge, Economic and Social Department)**

I am not the Assistant Director-General, I am the Officer-in-Charge for this week at least, and that is why I am occupying this chair. I will speak to you mostly in my capacity as the Director of the Commodities and Trade Division which is the main division that deals with markets and trades and you saw some of the exhibits presented by my colleague, Mr Pingali, earlier.

I will pick up two or three points that were heard from a variety of delegations. The first one relates to the continuing price declines, real or nominal, that many delegates brought up and this is something that has been happening for the last forty years but I would like to mention and emphasize that our analysis, as well as analyses in other knowledge centres, suggests that the reason for these declines are not primarily related to trade issues. They are primarily related to technology and productivity issues and here I would like to mention that there is a fundamental difference between the way productivity is evolving in developed countries and in the Least Developed Countries. What is happening, my colleague showed one graph like this, but we have many more similar graphs, is that if you look at the trends in productivity, in different groups of countries, we find that in developed countries and in the more middle income developing countries or the higher income developing countries, the productivity growth is quite significant and similar, but this is not occurring in the Least Developed Countries. There, agricultural productivity in almost every group of products is either not increasing and in fact in some cases it is even declining; and this explains why despite declining prices the purchasing power of exports of the developed countries and those other developing countries that are middle income is going up, despite declining prices. While the opposite is happening for the Least Developed Countries, in other words they have lower productivity and the prices going down so their exports are buying less, so they have kind of a double penalty on this. Now, this is the trend so this calls for attention, very highly and very appropriately for FAO, the issue of productivity and technology. Before I deal with this final point I would like them to go to WTO because many delegates raised the issue of WTO, in fact, I recall one delegation asked why FAO is not concluding the WTO but I think it is well known that WTO is owned by its Members and not by FAO and it is the Members of WTO that can conclude the agreement.

Of course we at FAO wish the negotiations to continue and we are very hopeful that they will come to some conclusion. There are, as you know, many issues that were difficult in the negotiations, as I recall the last text that was put together by the Director General of WTO had about eight hundred and sixty brackets to be decided; which gives you an idea of where the negotiations are, but FAO has nothing to do with this. This is all with you, the Members of WTO.

Nevertheless as you know agriculture was one of the key difficult areas of negotiation and one key area where agreement has not been reached.

Now, we at FAO, have a function as many of you kindly pointed out, to assist our Members with their negotiating capacity as well as to point out the outcomes of various proposals that are put on the ground. It is knowledge and information capacity and we try to do the best we can and we will continue to do that as many of you have called. Having said that, I would like to point out that WTO, even if it concludes, even if there is a lot of trade liberalization, or even perfect trade liberalization, it will not reverse the price trends that you saw earlier. This is a point I would like to mention because we should not confuse trade liberalization with the general trends of prices. The WTO will do a lot of other things of course, and many countries are expecting them and hopefully will do, market access, improving the rules of trade, etc. and we all hope that it will continue doing it, but it will not reverse these price trends. What can reverse the price trends, are few major new developments in the world, such as, for instance, the demand for bio-fuels. This is a trend that can potentially, I am not saying it will, but potentially can reverse this downward trend but it will take many years.

Finally, what I would like to point out is the point I started with, namely the productivity differentials and what FAO can do to assist countries in improving productivity. This as you know is a huge area, where FAO has indeed a comparative advantage and the Director-General already has a strategy for the so called Aid for Trade Package and the role of FAO in it. It involves a variety of areas of intervention such as, for instance, improving physical productivity like yields which has been a traditional area of FAO involvement but there are additional areas of intervention such as standards, SPS, making products more tradeable in other words. Finally of course linking the products to markets, that is another aspect of the Aid for Trade Package where FAO has quite a bit of comparative advantage. Of course this all depends very much on donor assistance to developing countries but FAO is quite willing and ready to use its expertise in this big area.

**Mrs Nadezhda KOTKOVETS (Observer for Belarus)<sup>1</sup>**

Belarus pursues a policy of environmentally sustainable development of its agriculture that satisfies over 85% of the country's food demand. Securing a dynamic growth of the sector (5% annually on the average) goes hand in hand with efficient energy-saving and nature protection, to contribute crucially to acquisition of MDGs at the national level. The percentage of Belarusians living below minimum subsistence level decreased more by half between 2000 and 2004.

At the same time Belarus invests considerable effort in addressing various new challenges currently facing it: from revitalizing the agriculture in Chernobyl-affected areas through entering the WTO and making good use of advantages offered by the European Neighbourhood Policy.

In pursuing these goals Belarus avails itself of a vast array of multilateral cooperation mechanisms on the FAO inventory and supports its major reform guidelines endorsed by resolution 6/2005 of the 33<sup>rd</sup> FAO Conference. The added value "of FAO activities in the new independent states however, hinges very much on its capacity to respond to their needs, the specific nature whereof is emphasized in the Report of the Regional Conference for Europe in Riga. We regard with particular interest the concept of National Medium Term Priority Frameworks as a potentially valuable framework of ongoing Belarus – FAO cooperation.

FAO already contributes importantly to the synergy of the multilateral post - Chernobyl damage control efforts, through the joint FAO- IAEA Programme and as a member of the Inter –Agency Task Force on Chernobyl. FAO should continue to commit the precious resources and expertise it possesses in this field toward agricultural recovery of the contaminated areas and raising international awareness of the social and economic impact of Chernobyl for all the afflicted countries.

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*1 Statement inserted in the verbatim report on request*

We invite FAO to subscribe to the Declaration of Principals of the International Chernobyl CORE (Cooperation for Rehabilitation) Programme. This would strengthen the multidisciplinary approach to the issue within the UN Country Team and be consonant with the UNGA Resolution 60/14 of 14 November 2005 "Strengthening of International cooperation and coordination of the efforts to study, mitigate and minimize the consequences of the Chernobyl disaster."

The importance of the closer relations with the enlarged EU in the agricultural domain and the forthcoming WTO accession makes imperative cooperation with FAO in order to integrate the countries agricultural sector into the system of international standards and technical norms, upgrade it technologically and render its produce more competitive on external markets.

Belarus seeks a wider access to international experience and best practices in the fields of the modern biotechnologies, bioenergy, organic farming and biosafety. We are hopeful that the reforms will enable our Organization to continue assisting CEE/CIS countries on the issues in keeping with their needs. Belarus particularly welcomes the increasing attention FAO pays to biofuel production in the context of food security.

In the wake of accession to FAO by all twelve CIS countries the Organization's activity now extends over a territory with a population of over 200 million, that are in their vast majority native speakers or at least users of the Russian language. I would like to emphasise therefore as highly relevant the idea broached by the Russian Federation at the 33<sup>rd</sup> Conference to formalize the use of Russian in FAO as its official working language, the way it was done in the UN at its very inception. We are confident that this would enable the countries of our region to better contribute to FAO work. Belarus calls upon all FAO Nations to support the proposal to amend accordingly the FAO Basic Text during the next FAO Conference Session.

***Mohammed Saeid NOORI-NAEINI, Independent Chairman of the Council, took the Chair***  
***Mohammed Saeid NOORI-NAEINI, Président indépendant, assume la présidence***  
***Ocupa la presidencia, Mohammed Saeid NOORI-NAEINI Presidente Independiente***

#### **CHAIRMAN**

We will now turn to Item 4, the Report of the recently concluded Thirty-second Session of the Committee on World Food Security, which was held from 30 October to 4 November 2006. The relevant document is CL 131/6.

I would like to remind you that a special forum was conducted as a multi-stakeholder dialogue and the chairperson summary is attached as an annex to the final report, which, as I mentioned, is contained in document CL 131/6.

The report contains recommendations for FAO, for governments and for all concerned parties.

One point which I would like to emphasize is that please do not mix the issues of ICARRD and this Report of the World Food Security because somehow they are related.

The ICARRD issue would be immediately after this next item and we will discuss it. Whatever you want to talk about concerning ICARRD please keep it for the next item.

We have less than one hour left and we have two important items on our agenda.

It seems that it would be difficult to accomplish the mission but I think it is possible because in the item, the State of Food and Agriculture lots of delegates talked about food security. If you refrain from repeating what has been said in the previous item and keep your statements short, hopefully we do not have to go to an evening session and a long day and we can finalize the two items in the time which remains.

In order to be very efficient I will not talk too much and I would like to ask Ms Margarita Flores, the Secretary of the Committee on World Food Security – she will present the document in the absence of the Chairman of that Committee. Will you please introduce the document Ms Flores?

**Sra. Margarita FLORES (del Personal de la FAO)**

En el Informe que se presenta a la consideración del Consejo, se destaca la preocupación del Comité al observar la falta de progreso hacia el logro del objetivo de la Cumbre Mundial de la Alimentación a diez años de su celebración.

Otros temas de preocupación que pueden exacerbar la inseguridad alimentaria y que se analizaron en el Informe son las enfermedades transfronterizas de los animales y las plantas y el alza del precio de los combustibles.

En el Informe se reporta también la realización del foro especial en la forma de un diálogo entre múltiples partes interesadas con el título *Hacia un mundo sin hambre, avances y perspectivas de realización del Plan de Acción de la Cumbre Mundial sobre la Alimentación*. Los resultados del diálogo, como ha dicho el Sr. Presidente, se encuentran en un Anexo como resumen del Presidente del FOR.

El Informe recoge también avances en la promoción y alianzas nacionales y regionales como la iniciativa *América Latina sin hambre 2025* en el marco de la Alianza Internacional contra el Hambre.

Con relación a dos nuevos temas propuestos al Comité de Seguridad Alimentaria, el Comité reconoció la importancia de la reforma agraria y el desarrollo rural para la realización del objetivo de erradicar el hambre y la pobreza y reconoció los logros alcanzados en la declaración de la Conferencia Internacional sobre Reforma Agraria y Desarrollo Rural y el papel de la FAO. Este tema será discutido inmediatamente después bajo el Tema 11 de la agenda.

El segundo punto propuesto fue incluir un tema permanente de agenda en las sesiones del Comité de Seguridad Alimentaria Mundial sobre el Programa Especial para la Seguridad Alimentaria (PESA) y los programas nacionales de Seguridad Alimentaria. Esa decisión fue pospuesta para el siguiente período de sesiones.

Al examinar el informe el Consejo quisiera dar especial atención a las recomendaciones del Comité contenidas en los párrafos 17, 19, 22, 28, 30, 32 y 35 del Documento CL 131/6.

Con relación a los resultados del FOR especial el Consejo quisiera tomar nota del resumen del Presidente, entre otros, la necesidad de multiplicar los esfuerzos orientados al logro del objetivo de la Cumbre Mundial de la Alimentación, las lecciones aprendidas, las diferencias de opinión así como la convergencia entre los participantes sobre el apoyo a la FAO a fin de mantener su función en la determinación de las mejores prácticas y la propuesta de asociaciones para la reducción del hambre y la seguridad alimentaria, el desarrollo de las capacidades de los gobiernos para aplicar inversiones agrícolas y programas de asistencia para facilitar la coordinación para el cumplimiento de las principales metas que los objetivos de desarrollo del Milenio sobre reducción del hambre y proporcionar información valiosa a los agricultores pobres extraída del conocimiento y de la experiencia de la Organización mediante iniciativas tales como las escuelas de campo para agricultores y los proyectos comunitarios participativos.

Había mucho más que decir que está en el documento.

**CHAIRMAN**

Thank you Ms Flores for your introduction. Now the floor is open for your comments and statements and questions, if there are any. As I emphasized, please try to be as concise and short as possible.

I will start with Brazil and we will establish the list of the speakers.

**Ms Ligia Maria SCHERER (Brazil)**

Brazil would like to thank the Secretariat for preparation of document CL 131/6 on the Report of the results of the Thirty-second Session of the Committee on World Food Security. The Report is the result of delicate consensus and so deserves the full endorsement of the Council.



We would like, however, to recall a few points from the Report.

The inappropriate use of the expression "global public goods", with reference to natural resources and environment. Taking into consideration the sensitivity of this issue for many countries, we would recommend that FAO would refrain from using the expression in this context.

Secondly, we would like to strongly support the recommendation for the CFS to monitor and follow-up the Initiative Latin American and the Caribbean Without Hunger 2025.

Thirdly, we also support the recommendations regarding the follow-up of ICARRD, which we will elaborate further on the next agenda item.

Brazil also stresses the importance of the Special Programmes for Food Security, whose positive results have been mentioned by various developing countries delegation during the CFS.

Brazil also supports the mainstreaming of the Voluntary Guidelines on the Right to Food into the work of FAO and its implementation by all members.

Finally, Brazil would like to refer to the Special Forum which took place during the CFS. The idea was born from a GRULAC initiative in consonance with Commitment 7 of the Plan of Action of the World Food Programme. We believe that the Special Forum, which allowed for a wide participation of civil society in the debates of the CFS, represents a unique accomplishment to FAO. Over a hundred organizations of civil society took part. The experience of a multi-stakeholder dialogue may contribute to the building of a new FAO.

There is, however, room for making the Special Forum more consistent and effective. The format of the CFS itself could be made less consultative and more deliberative, allowing for a deeper exchange of impressions and more effective solutions of issues related to food insecurity.

Brazil proposes that a Special Forum should take place at least every two years, during the CFS Sessions. The Special Forum should allow the organized civil society to contribute to the debate on the question of hunger and poverty in the world.

We call on the Council to recommend that the CFS examine, on its next Session, the possibility of institutionalization of the Special Forum and begin discussions on new forms to revitalize the debate within the CFS itself.

**Mrs Swantje HELBING (Germany)**

If you give permission, we give the floor to the Representative of Finland, who will speak in the name of the European Union.

**Veli-Pekka TALVELA (Observer for Finland)**

Finland is speaking on behalf of the European Community and its 25 Member States, also the acceding countries Bulgaria and Romania and the candidate countries to the European Union, Croatia and Turkey, associate themselves with this statement.

The European Union (EU) endorses the entire report of the Thirty-second Session of the Committee on World Food Security, which met in Rome from 30 October to 4 November 2006. We would like to express our thanks to the FAO Secretariat for the tireless work during the Meeting.

The Special Forum was conducted as a multi-stakeholder dialogue, as directed by Commitment Seven of the World Food Summit. The EU welcomes all efforts towards dialogue between different stakeholders on food security issues and sees the role of Civil Society organizations vital in combating hunger.

It was encouraging to see the keen interest of Civil Society Organizations on land issues. It is often the civil society that highlights the importance of the land issues for the best interest of balanced national development and increased food security. The role of FAO on land issues is to create forums for discussions and exchange of ideas on best practices. FAO can offer technical advice on land legislation and can help Member Countries analyse different options for improved

land ownership, use, management, and stewardship. Technical advice for a neutral and competent organization is highly valuable and can help develop and reform national systems.

Many emerging issues, which are at present intensively discussed internationally, were raised in the discussions, such as biofuels, agricultural biodiversity, climate change as well as the concept of Global Public Goods. We encourage FAO to actively take part in these discussions and propose how FAO can continue to contribute to these issues according to its mandate and comparative advantages.

We welcome the attention given to the Voluntary Guidelines on the Right to Food and look forward to the future follow-up of their endorsement and implementation by various countries.

The issue of linkages between food security and transboundary plant and animal diseases has been discussed during this meeting. We welcome the recommendation to strengthen the newly established FAO/OIE Crisis Management Centre to combat first and foremost Avian Influenza and other major animal health emergencies.

It is our view that the Secretariat should prepare a results-based framework for assessing to what extent FAO's involvement in food security projects, including SPFS, contribute to the achieving of the World Food Summit goals and food security in general. Meaningful discussion in the CFS and Governing Bodies like the Programme Committee and the Council requires documented evidence on the impact of FAO food security programmes, including SPFS.

The European Union welcomes the initiative to make the IAAH increasingly self-supporting through active resource mobilization and fund raising. Efforts should be undertaken to strengthen the dialogue and networking with other existing platforms also at regional and global level. The same applies to resource mobilization. The alliances could, at best, tap into otherwise inaccessible funding and avoid competition with already existing resource channels.

At the international level, FAO should increase its efforts to liaise and cooperate with other UN organizations, especially its sister organizations in Rome. We are all aware of the tremendous challenges ahead in reaching the World Food Summit and Millennium Development Goals. All aspects of agricultural and rural development must get increased attention in both national and international investments for development.

Finally, the awareness of the cruel fact that the number of people suffering from malnutrition has not decreased during the past ten years shadowed the successful Meeting of the CFS. This unsatisfactory development obligates FAO and its membership to increase and improve their efforts in fighting hunger. The words and wise recommendations made in the CFS must become concrete actions through political will and mobilization of all stakeholders, otherwise the appalling situation with constantly high number of human beings living in food insecurity will continue.

**Bernie FONDEVILLA (Philippines)**

The Philippines endorses the Report of the Thirty-second Session on the Committee on World Food Security.

We are most pleased to welcome the Special Forum during the CFS that brought together governments, NGOs and CSOs in one forum.

Considering the richness of the debate, we hope that such an exercise could be done more often in the future. In trying, however, to attain the WFS goal of halving the world's hungry and malnourished by the year 2015, we would like to emphasize that we should not forget some tools, such as the Voluntary Guidelines on the Right to Adequate Food, as well as promotion of agrarian reform and rural development.

At times we take for granted the achievements of the past; at times we even deliberately set them aside – this should not be our attitude. Our attitude should be to build on them and make them useful for the Member Countries.

**Lee BRUDVIG (United States of America)**

The United States of America was pleased with the consensus outcome of the Committee on World Food Security. All participants recognized that if we are to meet the World Food Summit Goal to reduce by half the number of undernourished people in the world it is imperative that developed and developing countries, NGOs, the private sector and others work in partnership as never before. We appreciated hearing the diverse views presented in the multi stakeholder forum, but we question the need to institutionalize the special forum.

We would like to reiterate that we believe that efforts to increase food security and eradicate hunger must include an increase in agricultural productivity, agricultural trade, good governance, effective use of official development assistance and the empowerment of women.

We would like to, once again, commend the work of former Assistant Director-General, Eva Clayton, Mr Hervé Lejeune and the National Alliance Against Hunger for their dedication and actions in combating hunger.

The United States of America welcomes the proposal that would permit the International Alliance to become progressively more self supporting and able to generate funding for its activities. However, we caution that FAO still has a significant catalytic role to play in facilitating the continuing growth of the Alliance. We believe that FAO should maintain its high level commitment to the International Alliance; substantial progress has been made in just three years, but the task is unfinished.

We would like to address one more issue that received attention in the CFS - the role of the Voluntary Guidelines to support the progressive realization of the Right to Adequate Food in the context of national food security. The United States of America was pleased to join consensus in adopting the Voluntary Guidelines in 2004. We view the Voluntary Guidelines as a useful toolkit of policies and strategies that countries may consider in their efforts to enhance their food security. It is important to remember, however, that they are voluntary and that governments and other actors are invited to implement them as they see fit. For this reason, the United States of America does not support mainstreaming the Voluntary Guidelines in the work of FAO.

**Alfredo Néstor PUIG PINO (Cuba)**

Al hacer uso de la palabra lo hacemos también en nombre del Grupo de América Latina y el Caribe. El Informe final del 32º período de sesiones del Comité de Seguridad Alimentaria Mundial, si bien es perfectible, el mismo ha sido el resultado del espíritu que primó en la mayoría de las discusiones que tuvieron los delegados invitados reunidos durante la larga jornada de trabajo en el Comité de Redacción.

El Foro Especial que tuvo lugar durante el 32º período de sesiones del Comité de Seguridad Alimentaria contó con una participación ampliada de la sociedad civil en los debates y constituyó un momento de singular revitalización para la FAO, cuando más de cien organizaciones de la sociedad civil, muchas de ellas de América Latina y el Caribe, discutieron junto a delegados gubernamentales los avances y perspectivas de realización del Plan de Acción de la Conferencia Mundial de la Alimentación. Esta experiencia fue valorada positivamente por la mayoría de los participantes, quienes consideraron que en el futuro el Foro debía tener dentro del Comité de Seguridad Alimentaria un carácter más consultivo, dando espacio para que las contribuciones del debate fortalezcan las acciones encaminadas a resolver los problemas de seguridad alimentaria mundial.

En nuestro caso recomendamos que el Comité de Seguridad Alimentaria organice un Foro Especial cada dos años, para debatir conjuntamente con la sociedad civil los temas relacionados a la erradicación del hambre y de la pobreza en el mundo, y por lo tanto proponemos que este Consejo decida que en su 33º período de sesiones el CSA examine la posibilidad de su institucionalización. Esto el GRULAC lo propone en tanto que, mientras exista un mecanismo que no conduzca a favorecer la aplicación de mecanismos que a su vez propicien el desarrollo rural, agrario y sostenible de nuestros países, se requerirá un marco apropiado para continuar

insistiendo en dicha necesidad y consideramos que el Foro Especial constituyó un contexto adecuado para ello.

En el Informe del 32º período de sesiones del Comité de Seguridad Alimentaria se recomendó estudiar las causas básicas de la inseguridad alimentaria a corto y a largo plazo en los países más afectados, partiendo de nueve recomendaciones a los gobiernos, siete de la FAO y diez a todas las partes involucradas en el Plan de Acción de la Cumbre Mundial de la Alimentación.

El GRULAC apoya dichas recomendaciones, en especial las relacionadas con la aplicación de las directrices voluntarias en apoyo de la realización progresiva al derecho a una alimentación adecuada en el contexto de la seguridad alimentaria nacional. La implementación de la Declaración de la Conferencia Internacional sobre Reforma Agraria y el Desarrollo Rural, la incorporación de estrategias para la preparación ante casos de catástrofes y la reducción de los riesgos en las acciones nacionales y la articulación con las políticas de crecimiento de la producción agrícola en el fomento del desarrollo rural sostenible. En este sentido, el Comité reiteró la necesidad de garantizar el acceso adecuado a la alimentación, articular las políticas de desarrollo y las estrategias de reducción de la pobreza de los países con inversiones en el sector agrícola y rural, aumentando la ayuda técnica y financiera al sector campesino, así como el acceso efectivo de las tierras tanto de los hombres como de las mujeres. De igual forma, la alianza contra el hambre fue apoyada por los miembros del Comité y las organizaciones no gubernamentales por ser una iniciativa encaminada a impulsar los planes de acción nacional y regional de la Cumbre Mundial de la Alimentación. Una amplia mayoría del Comité considera que la FAO debe continuar avalando estas alianzas. En este contexto el GRULAC presentó la iniciativa regional de América Latina y el Caribe Sin Hambre para el 2025, como parte de las alianzas regionales para apoyar los objetivos de la Cumbre Mundial de la Alimentación y los Objetivos de Desarrollo del Milenio. Esta iniciativa pone énfasis en las políticas estructurales de mediano y largo plazo y la colaboración entre los países para erradicar el hambre para el 2025, en línea con el principio del derecho a la alimentación y basándose en amplios programas nacionales para la seguridad alimentaria. Nuestra iniciativa se propone comprometer a varios actores, principalmente a los gobiernos, la sociedad civil, los medios de comunicación, el sector privado así como las instituciones internacionales y donantes.

En tal sentido proponemos que la FAO establezca un mecanismo de seguimiento en las reuniones del Comité de Seguridad Alimentaria y brinde apoyo técnico y financiero como parte de las acciones regionales para lograr los objetivos de la Cumbre Mundial de la Alimentación.

Por último, en el debate sobre el Programa Especial de Seguridad Alimentaria, la mayoría de los países en desarrollo reconocieron el Programa Especial como una excelente acción de cooperación Sur Sur, que ha contribuido de forma rápida a crear capacidades locales favoreciendo a muchos productores, y ha fortalecido las políticas nacionales de los mismos. El GRULAC ratifica su apoyo total a la continuidad de estos programas especiales y señala que éstos no sólo son una efectiva acción de cooperación Sur Sur sino un ejemplo de las potencialidades de la cooperación entre los países en desarrollo.

**Brett HUGHES (Australia)**

Australia would just like to make a few brief comments.

Australia welcomed the Committee on Food Security's discussion of the world food security situation. The Australian Government continues to place priority on addressing food security and, particularly, in the Asia Pacific region.

The Committee on Food Security special focus on Avian Influenza and Food Security was also particularly welcome. The Committee's consideration of this issue was both timely and very useful on focussing on the existing and potential impacts of Highly Pathogenic Avian Influenza (HPAI) on world food security. The Committee on Food Security's conclusions on transboundary animal and plant disease are therefore welcome and, in particular, recommendations to improve early warning and disaster-preparedness mechanisms, to strengthen veterinary services and raise

bio-security standards and for FAO to work with that risk in affected countries to enhance to increase HPAI control.

Finally, Australia also notes the conclusion of the CFS that the Chairperson's summary of the Special Forum was neither negotiated nor agreed upon by the participants in the Special Forum and is therefore not binding on FAO Member governments.

We would also wish to indicate that Australia would not support calls for institutionalization of the Special Forum.

**Eudoro Jaén ESQUIVEL (Panamá)**

La República de Panamá quiere hacer énfasis en nuestro total respaldo, y quiere así registrarlo, a las palabras del distinguido colega de la República de Cuba. A pesar de que él ha hablado en nombre de Latino América, y pudiera decirse que lo que acabamos de decir es redundante, sin embargo, la República de Panamá desea formalmente que quede registrado nuestro absoluto endoso a todas las recomendaciones que ha hecho el distinguido representante de Cuba como presidente y representante del GRULAC.

**Ms Kathryn MCKINLEY (Canada)**

Canada also fully endorses the Report of the CFS. At the same time we are cautious about any additional costly activities or obligations for the FAO which would put further pressure on its already over extended budget and organizational difficulties or would extend its mandate away from its core comparative advantage. This would include institutionalization of the Special Forum or mainstreaming of the Voluntary Guidelines on the Right to Food in FAO's work. Given that these are Voluntary Guidelines and that FAO currently is running a deficit of US\$27 million in meeting its current mandate Canada would not be in a position to support such an activity.

**José Roberto ANDINO SALAZAR (El Salvador)**

El Salvador apoya vivamente la declaración dada por el Representante de Cuba en nombre del GRULAC y reiteramos que apoyamos las recomendaciones que ha hecho en relación al tema del Informe del Comité de Seguridad Alimentaria Mundial.

**Monsieur MONJA (Madagascar)**

Je m'exprime au nom du Groupe africain.

Monsieur le Président, qu'il me soit permis de rappeler ici que le rapport en question a été approuvé en bloc par les Etats Membres lors de la session. Pour être logique envers soi-même, je crois qu'il faudrait vraiment approuver ce rapport et pour les Groupes africains en particulier, le programme spécial pour la sécurité alimentaire pour nous, c'est très important, et plusieurs pays de notre groupe en bénéficient. Pour être bref, Monsieur le Président, j'appuie la déclaration de son Excellence l'Ambassadeur de Cuba et je vous remercie.

**Mamadou DEKAMO KAMARA (Congo)**

Je prends parole au nom de ma délégation pour appuyer la déclaration du Groupe africain lu par le délégué du Madagascar et pour souligner avec lui et avec force que ce rapport avait été adopté en bloc à la session qui a eu lieu du 30 octobre au 4 novembre, et pour aussi reconnaître avec l'Ambassadeur de Cuba que les recommandations qu'il a eu à formuler ici sont les recommandations du CSA et nous nous alignons et nous soutenons cela avec force. Je vous remercie.

**Michael Muchenje NYERE (Observer for Zimbabwe)**

Zimbabwe endorses the Report of the Thirty-second Session of the CFS and endorses the statement made by the GRULAC, the Africa Group and other members of the G-77 who have spoken. Further, the practice of multi-stakeholder dialogue in the form of the special forum is very important. It infuses a fresh breath of diverse views into the discourse around the global goal of eliminating hunger.

**Sra. María DEL CARMEN SQUEFF (Argentina)**

Para apoyar al Embajador de Cuba en su declaración como presidente del GRULAC, y también a la Embajadora Mochada del G77. Me interesa remarcar un solo punto con respecto al Foro Especial. En ese sentido, quiero apoyar lo expresado por la delegación de Brasil. Es muy importante tratar de repetir la experiencia del Foro Especial con las precisiones que hizo la delegación de Brasil, esto es, una mejor articulación entre las delegaciones oficiales, de las ONGs, de las Organizaciones de la Sociedad Civil, etc. En ese sentido, habría que trabajar fuertemente en ejes articuladores para que la participación sea efectiva y conducente en acciones que redunden en beneficios, tanto en los objetivos de la Cumbre del Milenio como, fundamentalmente en los temas de Seguridad Alimentaria.

**Abdelhamid ABID (Tunisie)**

Je prends la parole pour attirer l'attention des secrétariats des Comités de la sécurité alimentaire que la Tunisie a participé à la trente-deuxième session du Comité de la sécurité alimentaire et au Forum spécial et que son nom ne figure pas sur la liste des participants. Donc, j'invite le Secrétariat à rectifier cette liste.

**CHAIRMAN**

Thank you, the Secretariat will certainly do that.

Let me remind you to please register your names as participants of the Council at the Turkish Room at the entrance.

I do not see any other requests for the floor so I turn the floor to Ms Flores.

**Sra. Margarita FLORES (del Personal de la FAO)**

Me parece que las intervenciones de los Señores y Señoras Delegados se refieren sobretodo a la naturaleza del Informe que se presento del Comité de Seguridad Alimentaria Mundial. Pareciera que el tema tiene que ver sobre las formas que podría adquirir un diálogo en el futuro entre los Representantes de los Gobiernos y la sociedad civil, y esa manera de abordarlo creo que sería para darle forma y presentar opciones en el futuro. O ser recomendado, como lo han dicho los Representantes, para la siguiente Sesión del Comité; hay varias opciones abiertas para ver cuál podría ser esa forma. Por lo demás, tomamos nota de varias de las declaraciones, de las intervenciones y como usted dice no hay preguntas en particular; existe la importancia de revitalizar el debate en el Comité, la importancia de tomar en cuenta las cuestiones emergentes en términos de Seguridad Alimentaria y que han sido retomados en el Informe y que serán abordados, uno de ellos, en el próximo Comité; la importancia de asociar y de analizar los Programas en función de su impacto, todos ellos recogidos ya en el Informe también; así cómo lo que se refiere a la participación y al papel de la FAO en el apoyo a las alianzas contra el hambre. Por lo tanto, parece que tomamos en cuenta las restricciones que podríamos enfrentar y por lo tanto, las recomendaciones o las opciones que podrían proponer.

**CHAIRMAN**

I can sum up by saying that the Council unanimously endorses the Report of the Committee on World Food Security, emphasizing some points, for example, alliance against hunger, the multi-stakeholder type of dialogue – of course the exact form of that should be decided in the future meetings of the Council or should be discussed in CFS.

The Voluntary Guidelines for the Right for Food received support, with the emphasis that they are Voluntary Guidelines and not obligatory guidelines.

With this I think we can conclude our discussion on this Item and we will move to the next Item.

**IV. ACTIVITIES OF FAO AND WFP****IV. ACTIVITÉS DE LA FAO ET DU PAM****IV. ACTIVIDADES DE LA FAO Y EL PMA**

**11. Outcome of and FAO Follow-up to the International Conference on Agrarian Reform and Rural Development (ICARRD) (Porto Alegre, Brazil, 7-10 March 2006) (CL 131/15)**

**11. Résultats et suivi par la FAO de la Conférence internationale sur la réforme agraire et le développement rural (CIRADR) (Porto Alegre, Brésil, 7-10 mars 2006) (CL 131/15)**

**11. Resultados de la Conferencia Internacional sobre Reforma Agraria y Desarrollo Rural (CIRADR) (Porto Alegre, Brasil, 7-10 de marzo de 2006) y actividades complementarias de la FAO al respecto (CL 131/15)**

**CHAIRMAN**

Let me start by thanking all delegations for being very short and concise with the statements on the previous Item. The interpretation time is available to us until 17:45, less than half an hour, and if we will be efficient as we were in the previous Item, we can conclude the whole Agenda today on time.

Let us move on to Item 11, Outcome of FAO Follow-up to the International Conference on Agrarian Reform and Rural Development (ICARRD), held in Porto Alegre, Brazil from 7-10 March 2006. The relevant document is CL 131/15.

ICARRD was convened by FAO following the approval of Council at its Hundred and Twenty-eight Session in June 2005. The Conference was attended by approximately 1400 participants, 92 member nations and over 100 civil society organizations. In other words, it was well-attended. The Conference was considered by the majority of stakeholders, particularly developing countries and civil society organizations as well as major national and international organizations dealing with land issues, as a success, both as regards to its content and its process.

Twenty-seven years after the last Conference on Agrarian Reform and Rural Development, ICARRD gave an overview of the issues and has helped put them back on the agenda of the international community.

The final declaration of ICARRD, contained in section 5 in the document you have before you, expresses the consensus and belief that agrarian reform and rural development are crucial for meeting the World Food Summit targets and the Millennium Development Goals, relating to poverty and hunger and sustainable natural resources management.

Mr Müller, Assistant Director-General of the Sustainable Development Department will introduce this Item.

**Alexander MÜLLER (Assistant Director-General, Sustainable Development Department)**

The Council Paper reviews the processes and achievements of the International Conference on Agrarian Reform and Rural Development (ICARRD) held in Porto Alegre, Brazil in March 2006 with the generous support of the host nation, Brazil.

The paper highlights the final declaration and commitments, FAO's initial follow-up and areas on which the guidance of the Council is sought.

The results of the ICARRD, in terms of outcomes and commitments, are summarized in the Council paper at paragraphs 24 and 25 and in view of the time I do not want to repeat it here.

ICARRD was a major investment and its final declaration and commitments have raised important expectations for future activities in agrarian reform and rural development.

FAO is following up to achieve the ICARRD commitments in a number of ways, with particular emphasis on regional activities. First, a joint ICARRD working group has been established by FAO, IFAD and IPC to explore further possibilities for ICARRD follow-up, based on a voluntary contribution and nationally-driven process. Second, the Organization is developing a system for monitoring the partnership initiatives launched at ICARRD to facilitate information exchange on

good practices and capacity building of partners engaged in ICARRD follow-up. Third, a panel on agrarian reform and rural development was organized during the CFS Special Forum with panel members representing government, civil society and the academic sector. Four, the Organization is undertaking a modest programme to identify useful benchmarks and quantitative indicators based on existing data sets, including the World Agricultural Census, that could contribute to the process of monitoring the implementation of the ICARRD Declaration.

The Council paper seeks guidance from the Council, particularly in relation to development of a special initiative on agrarian reform and rural development as a concrete follow-up mechanism for ICARRD and second, expansion and refinement of the database on agrarian reform and rural development, identifying indicators of access to land and other natural resources. This follow-up will ensure that ICARRD will be run with limited resources and through extrabudgetary funds, as it did for the preparation and implementation of ICARRD inside FAO.

This follow-up will ensure that ICARRD will be run with limited resources and through extra-budgetary funds as it did for the preparation and implementation of ICARRD inside FAO. Thank you very much.

#### **CHAIRMAN**

Thank you Mr Müller for precise and short introduction of the document. And now the floor is open for your intervention and comment and I start with European Community.

#### **Ms Maryse COUTSOURADIS (European Community)**

Thank you Mr Chairman. I am speaking on behalf of the European Community and its 25 Member States. The acceding countries, Bulgaria and Romania, and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

The EU appreciates the informative document prepared by the FAO Secretariat on the outcome of and follow-up to the International Conference on Agrarian Reform and Rural Development.

Once again, we would like to reiterate our thanks to the Brazilian Government for having played perfect hosts to such an important event and to FAO for the faultless organization and commitment.

As to the ICARRD follow-up we acknowledge, in particular, the discussions that took place recently during the last session of the Committee on World Food Security. The EU is in favour of a cautious approach, particularly in light of the current FAO reform process. Indeed, the creation of new reporting mechanisms and platforms at this critical juncture would mean deploying in a non-efficient and ineffective manner the organization's limited and therefore even more precious – resources while imposing to parties.

In light, however, of the importance of the themes on the Agrarian Reform and Rural Development Agenda, and in order to ensure a suitable follow-up to ICARRD, we believe that parties may report on the implementation of the ICARRD recommendations on a voluntary basis and within the CFS regular reporting process.

Concerning the guidance requested from the Council in relation to the Development of a Special initiative on Agrarian Reform and Rural Development as a concrete follow-up mechanism to ICARRD, its rationale, inspiring principles, details and working modalities are at this stage unknown. On the basis of the preliminary information in our possession, the EU would like to invoke again the prudence of parties on this matter. New mechanisms such as the ones that seem to be proposed by this "Special Initiative" could lead to duplication of efforts and to the development of another structure whose comparative advantages have yet to be fully demonstrated. We cannot therefore agree to its development.

By contrast, and as we already stated during the CFS debates, we believe that if the main objective of this initiative is to continue networking, enhance opportunities for dialogue at the national level and create capacity, there are already fine instruments available. These are effective international platforms, networks and flexible initiatives such as the International Land Coalition



– both the EC and FAO are into members of the International Land Coalition that could be easily mandated to perform those tasks in an extremely cost-effective manner.

Furthermore, as to the guidance requested from the Council in relation to the establishment of the database on agrarian reform and rural development, we feel that a full needs assessment for such a new tool has not been performed. The risk of duplication being therefore too great also in the absence of a sound analysis of its potential advantages compared to similar initiatives, we are not in a position at this stage to agree to its expansion and refinement.

To conclude, as we stated during the last Session of Committee on World Food Security, these issues resulting from the debates at the International Conference on Agrarian Reform and Rural Development (ICARRD) should be discussed by the Committee on Agriculture (COAG) at its next Session, focussing in particular on the role of FAO in land use and land use rights in order to define it clearly.

### **Guilherme CASSEL (Brasil)**

Agradecemos a la Secretaría de la FAO por la preparación del documento CL 131/15. Se presenta un excelente resumen de los procesos, resultados y realizaciones de la Conferencia Internacional sobre Reforma Agraria y Desarrollo Rural (CIRADR).

Brasil tuvo el honor de acoger la CIRADR en Porto Alegre del 7 al 10 de marzo de 2006. Bajo mandato de este Consejo hemos investido esfuerzos significativos, financieros, materiales y humanos, en la organización de la Conferencia. En su sesión de junio de 2005, el Consejo consideró que la CIRADR contribuiría a movilizar a los gobiernos nacionales y a la comunidad internacional para apoyar los procesos de reforma agraria y desarrollo rural en curso. También consideró que la Conferencia proporcionaría una oportunidad para señalar a la atención del mundo el semblante rural del hambre, la pobreza y las necesidades de una nueva visión. Nos complace confirmar hoy que la CIRADR logró alcanzar esos objetivos. Los excelentes resultados con la participación de más de 90 países y centenares de organizaciones de la sociedad civil, nos inspiran a seguir trabajando en los próximos años.

La CIRADR fue el marco de reconocimiento por la Comunidad Internacional de la importancia de la reforma agraria y el desarrollo rural para la realización del objetivo común de erradicar el hambre y la pobreza. Si bien cada nación deberá adoptar estrategias coherentes con sus propios recursos y necesidades, debemos tratar de realizar esfuerzos coordinados y compartir responsabilidades en el plan internacional. En ese sentido, la Conferencia reconoció a la FAO como el organismo principal de las Naciones Unidas para apoyar a los Estados Miembros en la ejecución de las políticas de los programas de reforma agraria y desarrollo rural. En su trabajo, la FAO puede ayudar a reforzar las instituciones nacionales y las organizaciones de la sociedad civil con miras a mejorar el acceso a la tierra y a otros recursos naturales. El Comité de Seguridad Alimentaria Mundial, en su reciente reunión, también subrayó la función singular y de gran importancia que desempeña la FAO para respaldar los resultados de la CIRADR.

Durante el CSA, muchos miembros manifestaron la opinión de que el proceso en curso de la FAO no debía, en modo alguno, menoscabar el papel de la FAO respecto a la reforma agraria y el desarrollo rural.

Consideramos de fundamental importancia que la FAO mantenga la capacidad institucional y las estructuras administrativas adecuadas para apoyar el trabajo de seguimiento e implementación de la CIRADR.

Reafirmamos el apoyo al fortalecimiento del Grupo de Trabajo Conjunto sobre Reforma Agraria y Desarrollo Rural de la FAO, FIDA y el CIP; como elemento de la labor de seguimiento de la CIRADR.

En relación al documento CL 131/15, estamos plenamente de acuerdo con las dos propuestas de actividades de seguimiento de la CIRADR por la FAO: i) la elaboración de una iniciativa especial sobre reforma agraria y desarrollo rural como mecanismo concreto de actividad de seguimiento de la CIRADR, que permita recabar fondos y refuerce los diálogos nacionales. La FAO deberá

proporcionar asistencia técnica y normativa para facilitar la formulación y elaboración de plataformas de diálogo a nivel mundial, regional y nacional, con el fin de institucionalizar enfoques participativos, el diálogo social, la cooperación y la creación de asociaciones entre gobiernos, la sociedad civil, los donantes y otros asociados en la reforma agraria y el desarrollo rural; y ii) la ampliación y el perfeccionamiento de la base de datos sobre reforma agraria y desarrollo rural, determinando indicadores de acceso a las tierras y otros recursos naturales con datos desglosados por sexo y edad, así como, la elaboración de un conjunto de directrices sobre la presentación de informes para uso de los gobiernos, la sociedad civil y las Organizaciones de las Naciones Unidas, con el objeto de supervisar la aplicación de las actividades de seguimientos de la CIRADR.

Respaldamos firmemente la intervención de Cuba en nombre del GRULAC.

**Bernie FONDEVILLA (Philippines)**

The Philippines considers agrarian reform as one of the pillars of sustainable development. We also believe that agrarian reform should remain in the international development agenda. For this reason, we would like to express our support for the recommendations contained in paragraph 31 of the document CL 131/15.

We would like, however, to reiterate our concern regarding the possible negative impact of the reform process in FAO on its work on agrarian reform. We hope that the reform process being done in FAO will not diminish its work in agrarian reform and rural development. Otherwise we feel that it will send the wrong signals to the poor and the landless.

At this juncture, we are happy to share with you that as a concrete step in the follow-up of the ICARRD we have recently established a Working Group involving major stakeholders from the Government, the donor community, NGOs and CSOs as well as FAO. We call this initiative "the Philippine Development Forum".

The scope of this initiative is to device possible concrete actions to be implemented together in the spirit of dialogue between involved stakeholders as so as the spirit of ICARRD.

Furthermore, my Government will be hosting the Centre on Integrated Rural Development for Asia and the Pacific next year. CIRDP is the product of the World Conference on Agrarian Reform and Rural Development, otherwise known as WCARRD 27 years ago. This is the forerunner of ICARRD. As you can see we in the Philippines still believe in the spirit of WCARRD. The intention of our support for ICARRD is not to develop new institutions but rather to maintain agrarian reform in the scope of international development.

**Lee BRUDVIG (United States of America)**

The United States was pleased to be able to participate in the International Conference on Agrarian Reform and Rural Development held in Porto Alegre in March 2006. We want to thank the Government of Brazil for hosting this meeting and express our appreciation to other governments that made voluntary contributions to support it.

We believe ICARRD's vision on rural development policies made a valuable contribution to increase international understanding on the role of agrarian reform, as well as, access to land in related issues in the attainment of the World Food Summit targets and the Millennium Development Goals.

We believe it is useful and appropriate for FAO to integrate insights and information gained from ICARRD into its ongoing activities. On a voluntary basis, member governments may find it useful to include agrarian reform issues in their periodic reporting systems on national progress toward the attainment of the World Food Summit goals. That said, we cannot support proposals that create complex and costly special initiatives.

ICARRD's vision on rural development policies made a valuable contribution to increasing international understanding, on the role of agrarian reform, as well as access to land and related issues in the attainment of the World Food Summit targets and the Millennium Development

Goals. We believe it is useful and appropriate for FAO to integrate insights and information gained from ICARRD into its ongoing activities. On a voluntary basis, member governments may find it useful to include agrarian reform issues in their periodic reporting systems on national progress for the attainment of the World Food Summit goals. That said, we cannot support proposals that create complex and costly special initiatives nor the establishment of platforms or other costly mechanisms nor the creation of a time and resource consuming exercise to develop guidelines and databases nor the development of burdensome reporting requirements. We believe that such proposals though well intentioned would distract attention and detract resources from the FAO's work in areas of its core mandate, where it has a unique role to play and a distinct comparative advantage.

During the meetings of the Finance and Programme Committees in September, the Secretariat informed Members of the Organization of its need to contend with a 27 million dollar unbudgeted costs amount in the next biennium. We believe it would be irresponsible to recommend the initiation of new activities in areas that are not central to the FAO's mandate given that the Organization does not have the resources to implement the revised Programme of Work and Budget as approved by the membership.

**Alfredo Néstor PUIG PINO (Cuba)**

Ratifico que habíamos solicitado la palabra casi al mismo tiempo que usted la concedía, razón por la cual la distinguida delegación de Brasil se nos adelantó. Esto tiene su beneficio.

Ante la profundidad de la declaración hecha por Brasil sobre este tema y en virtud de que casi nos quedan cinco minutos para concluir según nos han dicho, el GRULAC apoya la declaración de Brasil y la hace suya.

**Ibrahim Bocar DAGA (Mali)**

S'agissant de ce dossier, nous tenons d'abord à remercier effectivement le Brésil qui a pris l'initiative de recevoir ce dernier Forum sur la Réforme agraire, de même que la FAO qui l'a si bien organisé et surtout pour avoir tiré l'essentiel de ce qui a été dit. Ce Forum fut un lieu d'échanges riche en événements. Un lieu de rencontre d'hommes et de femmes sans terres, qui ne demandent qu'une chose, recevoir une assistance agricole et pouvoir exploiter des terres. N'est-ce pas là le rôle essentiel de la FAO?

Depuis le début de l'après-midi, nous nous posons des questions et revenons sans cesse au problème du manque d'argent. Il serait puéril de tout ramener à l'argent et d'entendre aussitôt après, de bonnes voix s'élever pour dire: "il s'agit donc d'augmenter l'argent, mais nous ne pouvons pas. L'argent que l'on a est insuffisant, on le sait"! On ferait mieux de se poser la question de savoir si la FAO doit vraiment atteindre son objectif assignée par tous les Etats Membres ou s'il s'agit tout simplement de tourner en rond en attendant les conclusions de l'évaluation. Il y en aura une autre demain et ainsi de suite. Les réformes sont nécessaires et les programmes de réforme agraire sont importants. Mais il faut voir la réalité en face. Qu'en est-il des pays qui attendent l'aboutissement de ces réformes?

Le Viet Nam a vécu grâce à cette réforme agraire. De pays importateur, il est devenu aujourd'hui un pays exportateur de produits agricoles. Ceci est le résultat des réformes.

Il ne faut pas avoir peur de ce genre d'occasion où l'on se retrouve, où l'on échange nos points de vues et où l'on tire des leçons.

En fait, au Brésil, ceux qui ont été interpellés le plus souvent sont précisément les pays en développement. Les participants ont plutôt interpellé leur gouvernement, leur demandant d'introduire des réformes afin d'améliorer leurs conditions de vie. Il ne s'agissait pas d'interpeller des pays nantis mais d'échanger des expériences vécues dans le but d'améliorer la condition de vie des pauvres une fois de plus. C'est pourquoi, je me réjouis particulièrement de l'attitude du FIDA. Probablement, si le FIDA avait pris cette initiative on aurait applaudi, on aurait dit c'est très bien! Mais enfin, c'est la FAO qui a pris cette initiative, il faut la saluer pour cela. Il ne s'agit pas de

comprendre mais de faire preuve, une fois de plus, d'un sens moral et de solidarité. Les pays en développement en appellent à l'esprit de solidarité.

C'est là tout le problème. Qu'il s'agisse de sécurité alimentaire ou encore de réformes agraires, c'est le refus net parce que cela va coûter de l'argent. On ne sait pas où on va aller et pourtant de l'argent il y en a. Tous les jours des bombes éclatent par ci par là. C'est la preuve tangible que l'argent existe mais il faut aussi penser à nourrir les populations qui subissent ces bombes et les fuient. C'est tout, c'est la mission de la FAO et je sens venir un schisme entre les gens qui veulent uniquement d'une FAO pour s'occuper des aspects normatifs, c'est effectivement bon, c'est le commerce, et c'est aussi la triste réalité, et ceux qui tiennent très fortement à une FAO qui remplisse sa mission plénière, celle qui lui a été assignée par les Membres fondateurs: nourrir les populations.

De grâce, ayons bon cœur, avançons dans cette direction, ne voyons pas en tout simplement l'argent que l'on y met.

**Ms Fran FREEMAN (Australia)**

One important way to achieve poverty reduction is undoubtedly through land reform. Australia recognizes this and through our aid agency AusAID, we have had considerable success in this area through land titling programmes. AusAID at the moment is currently looking to implement a demand driven land mobilization programme as an important growth initiative in the Pacific.

The issue of land tenure although controversial at times cannot be avoided if sustained growth is to be achieved. However, Australia would emphasize that changes to land tenure have to be progressed at the national level rather than at the multilateral level. Therefore, while Australia considers this issue to be important we are of the view that we do not see it as an area for multilateral agencies such as FAO, but one that should be pursued at the national level with the assistance of development partners. This is not to say that FAO, as a development partner, does not have a role in assisting countries address land tenure issues through its capacity building programmes. However, we need to be very careful about what we are asking FAO to do, when its resources are already spread thinly across a range of very important work programmes. We therefore, do not consider that FAO should be enlisting reporting guidelines or mechanisms to monitor its implementation. We consider that it is more appropriate that those countries which endorsed the declaration now seek to implement its conclusions at the national level.

We therefore support the recommendation of the Committee on World Food Security aimed at strengthening national institutional capacity in support of the declaration. We would also therefore wish to endorse the view expressed by many members of the CFS which cautioned against creating new reporting mechanisms and platforms, acknowledging limited resources of FAO and the burdens it may place on individual countries and the need for reporting to be on a voluntary basis.

Finally, we also support the recommendation of the CFS requesting a complete document on FAO's food security programmes and their contributions to achieving World Food Summit goals to be presented at the next session of the CFS as outlined in paragraph 31 of the Committee's Report.

**CHAIRMAN**

We almost finished our allotted time, so I would ask the remaining speakers, please to be very efficient. We have asked for ten more minutes' time of interpretation and it has been agreed to. So please manage to finalize things in ten minutes.

**Ms Kathryn MCKINLEY (Canada)**

Canada fully supports agriculture and rural development including through the efforts of the FAO. At the recent Committee on Food Security Canada expressed our concerns regarding the ICARRD declaration, for example, in the view of the Canadian delegation, much of the language

in the declaration is unclear or incomplete making it impossible to know what would be entailed in implementing the declaration.

Also, our concern went to voting scarce FAO resources to the special initiative to implement the declaration or the development of reporting guidelines on implementing the declaration, would require reducing resources currently being devoted to other priority areas of FAO work. For example, we note that as of June 2006, only forty-four of one hundred and twelve member states had submitted to FAO their progress reports on food security demonstrating a significant shortfall in the capacity of many member countries to comply with their current reporting commitments to the FAO. In this regard, my delegation is of the view that any additional reporting requirements regarding the implementation of the ICARRD will largely not be complied with.

For these reasons we do not support the development of the special initiative on agrarian reform and rural development nor the development of guidelines monitoring the implementation of the ICARRD declaration.

Canada supports the decision made at the thirty second Committee on World Food Security concerning the next steps for implementing the ICARRD declaration. Specifically we would support the decision that before the Council considers this matter, it should be first discussed at the Committee on Agriculture to determine FAO's role. The COAG's findings and decisions would then be considered at the meeting of the Committee of Food Security. After these discussions, the matter may be better prepared for Council's consideration.

**Mrs Nasrin AKHTER (Bangladesh)**

The delegation of Bangladesh would once again like to extend its sincere appreciation to Brazil for hosting the very important Conference on International Agrarian Reform and Rural Development. I would also like extend our gratitude to FAO for organizing the multi stakeholder dialogue and for also being a special forum on international conference on agrarian reforms.

In this context I would like to make it short and I would like to support all or request, Council, to look at the recommendation that we made during the CFS session. So, if we can consider especially number twenty-six of our decision during that meeting, twenty-five, twenty-six and twenty-seven, I think it would have been a proposal made by the Brazilian delegation. In the context of guidance from the Council, that we have requested in CL 131/15, I think, considering the importance of this re-development agrarian reform, Bangladesh supports both the proposals.

**Nobuhiko KAHO (Japan)**

The government of Japan assisted ICARRD through providing information on Japan's experience on agrarian reform in order to stimulate awareness of the Conference participants.

The delegation of Japan thinks agrarian reform and rural development basically depends on national policies of each country and regrets that the outcomes of the Conference do not refer to the importance of political wills of the nations.

We believe such wills to be most essential for agrarian reform. We understand, development of platforms may facilitate dialogue between stakeholders. However, we think this should be achieved through existent mechanisms like formal sessions or side events of COAG, CFS and FAO's Regional Conferences. If the proposed platforms lead up to a new financial burden on regular or obligatory basis, Japan cannot support this guidance especially under the current situation of FAO's limited finances. If the need arises, it should be covered by voluntary or trust funds.

FAO is now under the financial and institutional reforms and the Organization is not in a position to implement any new costly activities, as some distinguished delegates have already mentioned.

The Japanese delegation would like to say again it is each nation or its government that has a responsibility and mission for agrarian reform and rural development. FAO's role in this field is just to provide a catalyst and a stimulus within an existent framework.

Regarding the database, Japan has the same idea about it. We should think more of its cost-effectiveness.

**Pedro Agostinho KANGA (Angola)**

Nous nous excusons d'avoir demandé la parole à cette heure si tardive. Mais, vu que la réforme agraire est très importante pour nos pays, durant la Conférence à Porto Alegre notre délégation a participé d'une manière très active et nous voulons réitérer nos remerciements au Brésil d'avoir organisé cette Conférence et puis, nous voulons appuyer les termes qui ont été prononcés ici, par exemple par la délégation malienne.

**CHAIRMAN**

Since there is no request for the floor, I will come back to Mr Müller and Mr Koohafkan to see if they have anything to add to our discussion.

**Alexander MÜLLER (Assistant Director-General, Sustainable Development Department)**

First of all, thank you very much for the contributions during this discussion and for the guidance on how to proceed with ICARRD issues and ICARRD follow-up.

I note the range of views presented here, in particular, and look forward, as mentioned in my introductory remarks to this paper, to ensure the follow-up of ICARRD with our limited resources and through extrabudgetary resources. We look forward to bringing technical recommendations, reflecting these views, as agreed in the CFS, to the Committee on Agriculture in 2007.

**Parviz KOOHAFKAN (Director, Rural Development Division)**

I wanted to reiterate the follow-up of ICARRD. The most important outcome of ICARRD was the process, the dialogue between the stakeholders and this is the spirit of ICARRD which we would like to advocate and help the countries to establish national dialogues. If there is any experience, information, best practices to provide them with that. That is all we have requested.

**CHAIRMAN**

With this I think we come to a conclusion with this Item.

The Council has expressed its thanks to the Government of Brazil for hosting this Conference and to FAO for organizing the Conference.

The two issues, which is the follow-up mechanism and the database, as mentioned by Mr Müller, needs more consideration and therefore we endorse the recommendation made by CFS that this should go to the Committee of Agriculture and then, with more work by the Secretariat, it would come back to a future meeting of the Council for decisions.

This concludes the debates today. Tomorrow we have important items on the agenda and please make sure that you are on time. At 09:30 tomorrow we will start and I hope that we can manage during the normal hours.

*The meeting rose at 18.00 hours*

*La séance est levée à 18 h 00*

*Se levanta la sesión a las 18.00 horas*

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 november 2006  
Roma, 20-25 de noviembre de 2006**

**THIRD PLENARY MEETING  
TROISIÈME SÉANCE PLÉNIÈRE  
TERCERA SESIÓN PLENARIA**

**21 November 2006**

**III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS**  
**III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION**  
**III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS**

**6. Reports of the Joint Meeting of the Programme Committee and the Finance Committee (May and September 2006) (CL 131/13; CL 131/14)**

**6. Rapport des Réunions conjointes du Comité du Programme et du Comité financier (mai et septembre 2006 respectivement) (CL 131/13; CL 131/14)**

**6. Informes de las reuniones conjuntas del Comité del Programa y el Comité de Finanzas (mayo y septiembre de 2006) (CL 131/13; CL 131/14)**

**CHAIRMAN**

I call the third meeting of the Hundred and Thirty-first Session of Council to order.

We have a very full day before us and we clearly need to make the best use of the time available. As you can see on the Order of the Day, we will be examining the reports of the Programme Committee and Finance Committee, as well as those of their Joint Meetings, and Item 9 on Implementation of Conference Decisions on Reforms and Proposals from the Director-General.

Given that these Committee Reports contain advice and comments on matters that constitute the subject of specific agenda items to be considered later on, I would like to propose that we follow the well-established practice of refraining from making comments on such matters until the pertinent item is taken up. This approach will help focus our debates and to avoid repetition in our discussions.

To make matters simple, I propose that I point out which matters appear both in the Report of a given Committee and as a separate Item on our Agenda, inviting you to refrain from making a statement on the issues in question until the specific item is taken.

Hence, for the first matter on today's agenda, Agenda Item 6 the Report of the Joint Meetings of the Programme and Finance Committees, I would like to invite distinguished Members to withhold their comments on *Implementation of Conference Decisions and Proposals from the Director-General*. This item is scheduled to be discussed later today under Item 9. So, in order to prevent repetition we will not discuss this item or this document, which is Implementation of Conference Decisions and Proposals from the Director-General and we fully discuss it under Item 9 this afternoon. Can I take that the Council agrees to this approach?

*It was so decided*

*Il en est ainsi décidé*

*Así se acuerda*

**CHAIRMAN**

To start the debate on Item 6, I now pass the floor to Mr Khawaja to introduce the Report of the May Session of the Joint Committee contained in document CL 131/13, to be followed by Mr Heard, who chaired the September Session.

**Aamir Ashraf KHAWAJA (Chairman, Finance Committee)**

I am pleased to be here with you today to present the report of the May 2006 Joint Meeting of the Programme and Finance Committees. This Report is submitted to the Council in document CL 131/13. In this introduction, I would like to highlight those points that are of general interest to and which require action by the Council. I would be speaking about the revised Programme of Work and Budget for 2006 and 2007, a review of programme, planning and budgeting as well as savings and efficiencies in governance.



On the revised Programme of Work and Budget, the Committees recognized the difficult budgetary context of formulation of the revised Programme of Work and Budget, as the result of real resource cuts totalling US\$ 38.6 million compared with the previous biennium. They noted the continuing effort to identify efficiency savings to mitigate the impact of resource cuts on FAO's programmes. Bearing in mind the detailed guidance provided by each Committee under respective areas of competence, the Committees approved the revised Programme of Work by consensus. The Committees also took note of the budgetary transfers by Chapter as proposed by the Director-General and were advised that these had been formally approved by the Finance Committee. On this question of preparation of Medium-Term Plan for 2008-2013, the Committees reiterated a recommendation to the Council as reached in their respective sessions to postpone the preparation and issuance of Medium-Term Plan 2008-13.

The Committees emphasized that the options presented on a review of programme, planning and budgeting process could be of use by the Independent External Evaluation in arriving at its broader recommendations in this area. The majority of Members expressed a preference for a merger of the strategic framework and the Medium-Term Plan, would the resulting document adopt a shorter time frame. There was general preference for one off instead of a rolling document. In recognizing the importance of ensuring that the Programme of Work and Budget planning effort was based on a resource level commanding broad support by the membership. The Committees noted that the option whereby the usual negotiations on the budget level, could be carried out during the June Council of Conference years merited exploration by the Independent External Evaluation.

On Savings and Efficiencies in Governance, the Committees discussed a further analysis of arrangements for the meetings of CCP and COAG, and in response to the request of Council in November 2005, the Committees explored the scope for merging CCP and COAG. The Joint Meeting noted that the back-to-back arrangements adopted for the 2005 sessions of CCP and COAG had worked well, and that no further efficiency savings would be made by merging the two Committees. The Joint Meeting concluded that the back-to-back scheduling of CCP and COAG sessions should be continued.

## **CHAIRMAN**

Now I invite Mr Heard to introduce this item, reminding him that he is not introducing the item on Implementation of Conference Decisions and Proposals from the Director-General, which we will be discussing later on today.

### **Victor C.D. HEARD (Chairman, Programme Committee)**

The Chairman's instructions allows me to be brief because most of the time of the Joint Committee was taken up with discussing the Director-General's further reform proposals. Therefore, my very brief report on the other items that were discussed by the Joint Committee covers first of all the arrangements for funding of the General Service Salary Increase. You will all be aware that this is a salary increase that affected the General Service grade throughout the United Nations system. It was unanimously agreed by the Joint Committee that the contribution of the Russian Federation which was not included in the budget agreed at the Conference last year because at that time they were not Members. But that should be used to partly fund the pay increase. The remainder of the money, US\$6.5 million, the Committee, with two exceptions as two Members were not able to join this consensus, felt that it should be charged to the Special Reserve Account and this was recognized by the Joint Committee as an issue which was principally for the Finance Committee and therefore we left it at that.

The other item of significance, I think, that was discussed by the Joint Committee came up under Other Business. This is the request that we made to the Secretariat to examine ways of making more joined up back office working between the three Rome-based agencies of the UN. Here we have asked for a Report to be presented and we recognized that obviously FAO cannot commit the other two Agencies to produce Reports, so the Members of the Joint Committee agreed to raise it in the governance organizations of IFAD and the World Food Programme. The more

detailed Report included in the Items which we are not discussing at the moment, is contained in document CL 131/14 and I hope that in due course, distinguished delegates and Mr Chairman, you will endorse this Report.

#### **CHAIRMAN**

I would open the floor for debate on the Items which were introduced, again reminding distinguished delegates that under this Item, we are not discussing Implementation of Conference Decisions and Proposals from the Director-General for the reform and we will discuss it this afternoon. So on other Items, you are welcome to comment, question or whatever else that you wish to do. The floor is open.

#### **Seiichi YOKOI (Japan)**

Thank you Mr Chairman and thank you Mr Khawaja and Mr Heard for concise reports on the Joint Meeting. According to the Chairperson's instruction, I would like to make a comment on the revised PWB, the arrangements for the meetings of CCP and COAG and funding of the General Service salary increase, all were discussed at the Joint Meeting. First, I would like to make a comment on the Revised Programme of Work and Budget for 2006 and 2007. At the time of the May session of the Programme and Finance Committee, Japan appreciated the Secretariat's effort to revise the Programme of Work and Budget in accordance with the budget level approved in the 33<sup>rd</sup> Conference last November and joined the consensus to approve it. However, it is regretted that shortly after the revised PWB was approved by the May Session of the Programme and Finance Committees, it was reported to the September session of the same Committees, that a substantial amount of costs was unbudgeted. According to paragraph 38 of CL 131/7, the total amount of unbudgeted costs for the present biennium is estimated as much as US\$27 million. The breakdown of this amount is US\$3.8 million for the one time transition cost for the reform, both the Conference decisions and the further proposals, US\$16 million for various staff costs, and US\$6.5 million to cope with the increase of the General Service salary in Headquarters.

According to the document, submitted to the September Session of the Joint Meeting of the Programme and Finance Committees, namely, paragraph 24 of JM06.2/3, states that FAO managers were making adjustments to their resources mix and workplans to accommodate unbudgeted costs with an unavoidably negative impact on outputs and services. This means that the revised PWB is no longer valid and implementation of the programmes may be different from the approved PWB. In other words, the revised PWB might not have been approved if Committee members had been informed of such a reduction of programmes at the time of the approval. I am afraid such changes may lead to negligence of the Governing Bodies. Therefore, Japan insists that the Secretariat should immediately provide Member Nations or Programme and Finance Committee at their next session with a further revised PWB for discussion and approval. This should be done in order to protect Member Nations' interests in the Regular Programme before we discuss any proposals on future reform. Taking into consideration the progressively deteriorating financial condition of FAO, Japan also insists that the Secretariat should develop a contingency plan to regulate the delivery of programmes in case FAO faces serious cash crisis. Secondly, I would like to make a comment on the arrangements for the meetings of CCP and COAG.

Japan puts emphasis on the realization of cost savings rather than on the arrangements of the meetings itself. Therefore, if the Secretariat concludes that the merger of CCP and of COAG would not lead to any cost savings beyond those of a back-to-back arrangement, Japan does not oppose to current back-to-back arrangement of these Meetings.

However, Japan considers that Intergovernmental Groups under CCP should be reviewed for possible cost savings. Eight Intergovernmental Groups are established; mainly Groups on rice, grains, jute, kenaf and allied fibres, oilseeds, oils and fats, bananas and tropical fruits, hard fibres, tea, meat and dairy products.

Japan would like to propose that the Programme and Finance Committee study the possibility of cost savings and usefulness or uselessness of these inter-governmental groups, including the necessity of each group.

Finally, I would like to make a comment on the funding of the General Service Salary increase. Japan has experienced a strong embarrassment with the emergence of such a large amount of unbudgeted salary costs. Regarding the funding of this unbudgeted cost, Japan support to meet part of this increase through the use of the contribution by the Russian Federation, as an exceptional measure. However, Japan does not support to meet the balance of the increase through the use of Special Reserve Account funds. Such a deficit should be balanced through further reduction of staff and reduction of programmes if inevitable, as well as further efficiency savings.

Given the strict financial condition of the Organization it is advisable to reduce the number of staff when the staff salary increases. In any case, given the large amount of arrears, arrears should be paid before the use of internal funds is sought. The Secretariat should collect accumulative arrears from Member Countries in arrears before asking Member Countries to contribute to reserve funds. Japan has no intention to contribute to replenish the Special Reserve Account for this purpose at this moment.

**Patrick PRUVOT (France)**

Je vous serais reconnaissant de bien vouloir donner la parole à la délégation de la Finlande qui s'exprimera au nom de l'Union européenne.

**Ms Heidi PIHLATIE (Finland)**

I am speaking on behalf of the European Community and its twenty-five member states, the acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey also associate themselves with this statement.

The European Union wishes to thank the Committees for their Reports. This time the Reports, especially the one of May has particular importance due to the fact that the Conference of last year exceptionally delegated power to approve the revised Programme of Work and Budget to the Committees Joint Session.

After thorough discussions, the Committees were able to approve the PWB, an accomplishment which deserves our appreciation. The European Union welcomes the approval of the Programme of Work and Budget for the biennium 2006-2007 but this does not make it possible to settle certain current problems in a feasible way. Still many of the basic problems remain open, such as the liquidity crisis. They are discussed under other points of the Agenda of this Council meeting.

We agree with the recommendation of the joint meeting that the preparation of the Medium Term Plan would be postponed. We expect that IEE will shed light on Medium-Term Planning of the Organization. On the issue of savings and efficiencies in governance the European Union would stress the ongoing work of the IEE which will give guidance for further steps. Thus, on the question of closer cooperation of the CCP and COAG, we would like to see the present arrangement kept until the advice of the IEE.

Furthermore we welcome initiatives for improving the collaboration between the Rome based UN Agencies: FAO, WFP and IFAD. As proposed in the Joint Committee Report, Members of the EU will call the Inter-Governing Bodies of WFP and IFAD for joint action to achieve efficiencies and effectiveness between the three Rome-based Agencies.

We look forward to FAO Secretariat reporting on progress in this field.

**Ms A.I. PEPPLE (Nigeria)**

Before I make my comments, I would like to join Members, who spoke yesterday, in expressing Nigeria's condolences on the unfortunate accident in Egypt last Saturday, that claimed the lives of some of FAO staff and an Egyptian. We pray that their souls may rest in peace.

The Programme of Work and Budget for 2006-2007 is already a settled issue and my delegation does not intend to waste the time of this august body any further on it, but permit me to make a few observations.

In approving the revised Programme of Work and Budget for the 2006-2007 biennium, the Joint Meeting acknowledged the difficult budgetary context of formulating a revised PWB in the face of continuous decline of resources. Only yesterday the Director-General was talking about an empty Special Reserve Account. Even more worrying is the fact that the critical mass of the Organization in certain key areas of its mandate is now being severely weakened. In our view, the time has come for the membership of this Organization to reflect on this and dispassionately ask itself the question whether we should continue to slide along this path. Has not the time come for us to make some hard choices?

Perhaps the IEE will provide some guidance here but even if it does, the requisite political will needs to be generated, to address the problem. When one compares the aggregate size of the extrabudgetary fund FAO gets vis-à-vis the Regular Budget., one wonders what message or signal is being sent out to FAO management and the membership. Mr Chairman, perhaps we are not listening. Perhaps we are also not asking the right questions.

On the issue of the review of Programme Planning and Budgeting Process, my delegation fully associates itself with Paragraph 15 of document CL 1231/13 inviting the IEE to look into it and come up with appropriate recommendations.

On funding the General Service Salary Increase recommended by the International Service Commission, Mr Chairman, my delegation fully associates itself with the majority of decision reached at the joint meeting of the two Committees as captured in Paragraph 18 of the document CL 131/14.

On further analysis of arrangements for the meetings of the OCP and COAG as part of the efforts at savings and efficiencies in governance, Nigeria would have opted for a merger of the two Meetings, but it is however willing to go along with the majority view as captured in Paragraph 17 of the document CL 131/13, to the extent that the Council recognizes that the decision of the Joint Meeting on this subject does not preclude further consideration of other arrangements in light of the outcome of the IEE, as suggested in Paragraph 18 of the document CL 131/13. We hope the attention of the IEE will be drawn to this.

**Lee BRUDVIG (United States of America)**

The issue that dominated the most recent Joint Meeting of Programme and Finance Committees was the grave financial situation of the FAO. Part of the reason for the financial deterioration has been the poor coordination in the past between the Programme Committee in reviewing and approving programmes and the Finance Committee in reviewing the financial consequences for the Organization. We hope that the Independent External Evaluation (IEE) will address this situation so that future Committee Meetings will be able to prioritise programmes based on realistic and complete financial information.

The US strongly supports Japan's view that it is extremely important that we understand exactly what we are giving up in terms of reductions in the approved Programme of Work and Budget when we approve any additional expenditure.

**Carlos Alberto AMARAL (Angola)**

Ma délégation félicite le Secrétariat pour l'élaboration des rapports des Réunions conjointes du Comité du Programme et du Comité financier. Il félicite également les Membres des Comités pour le travail accompli dans des circonstances difficiles dues aux problèmes connus, le manque de liquidité auquel l'Organisation est confrontée, à raison, à des arriérés, du retard dans le paiement des contributions, ainsi que des coûts non prévus inscrits au budget. Si l'on compte la réduction des ressources, la révision du budget s'impose, mais il est important que la FAO ne perde pas la masse critique, leur capacité et son rôle dans les domaines fondamentaux pour la sécurité alimentaire. Hier nous avons eu l'opportunité d'analyser la situation de l'alimentation et de l'agriculture en 2006, ainsi que les rapports du Comité de la sécurité alimentaire. La conclusion est qu'il faut redoubler les efforts pour atteindre les objectifs du millénaire. Pour cette raison nous

encourageons les pays qui ne l'ont pas fait encore à honorer leurs engagements vis-à-vis de l'Organisation.

Face à la situation financière critique de la FAO, ma délégation est d'accord avec la proposition de révision du Programme de travail tel qu'il a été approuvé par les deux Comités en attendant que le domaine prioritaire décrit au paragraphe 8 du document, soient protégés, particulièrement l'appui à la mise en œuvre du Code de conduite pour une pêche responsable, qui est un instrument fondamental pour la gestion rationnelle des ressources halieutiques et la préservation de la biodiversité.

Tenant compte des travaux en cours sur la réforme et l'évaluation externe indépendante, nous pensons qu'il serait prudent d'attendre avant la préparation et la publication du Plan à moyen terme 2008-2013.

En ce qui concerne l'économie et gain d'efficacité en matière de gouvernance, à notre avis, nous devons continuer à organiser les réunions du Comité de l'agriculture et du Comité des produits, l'une après l'autre, mais il serait intéressant d'examiner d'autres arrangements tel que proposé au paragraphe 18.

**Bright RWAMIRAMA (Uganda)**

The Programme Committee and the Finance Committee accept the Programme of Work and Budget of the Organization. The Ugandan delegation appreciate their work. We, however, request that the outcome of the Regional Conferences should appear prominently in the subsequent Programme of Work and Budget.

We endorse the Report.

**Moungui MÉDI (Cameroon)**

The joint meeting of the Programme Committee and the Finance Committee have discussed issues of great importance to the Organization. Those issues are certainly going to be taken up by the IEE, and we should thank the two Committees for the guidance provided.

The planning forces of FAO has always been considered as time and resource consuming. Indeed, it is a very lengthy process which sometimes takes more than two years to mature, thus the need from time to time to revisit it.

Concerning the preparation of the 2008-2013 Medium-Term Plan, the proposed decision of its postponement is fully accepted by our delegation.

While agreeing, in principle, with the options for improved processes in the review of programme planning and budgeting, and without anticipating or influencing the result of the IEE, we share the view of merging the Strategic Framework and the Medium-Term Plan.

In the area of efficiency savings concerning the merging of Committee on Agriculture (COAG), and the Committee on Commodity Products (CCP), we encourage the continuation of the back to back schedule of the two Committees and the *sine die* of the discussion on the matter.

We are seriously concerned about the liquidity problems of the Organization as reported by the Committees. Liquidity problems due to arrears and delays in payments of assessed contributions by Members. While taking this opportunity to inform Members, about Cameroon's situation, whereby the account has no arrears, as has paid part of its 2007 contributions, I wish to join the Director-General's plea, to call on Members to pay their contributions on time regardless of the amount, so that current liquidity crisis may not become a structural problem, which may lead to the revision of the basic financial mechanisms and procedures of the Organization.

I also want to express the concerns of my delegation towards the observation made by the two Committees in paragraph 5 of the Report of the Meeting of 27 September, 2006, and I quote: "the Committees observed deep structural problems of recurrent largely unforeseen unbudgeted costs". To call on the Secretariat to address this accordingly and Report to the relevant Governing Bodies on the actions taken.

We take note of the fact that the two regions, namely Asia and Latin America and the Caribbean, have requested the Director-General to engage in further consultation with them with regard to the current reform proposals, for which it is acknowledged the diversions of use amongst the Committee Members.

Concerning the proposal of the Committees to use, exceptionally, the contributions of the Russian Federation to the 2006-2007 Work Programme, to partially front the unforeseen unbudgeted General Services Staff Salary Increase, we have no objection to that. We are looking forward to discussing the proposal to be submitted by the Secretariat on the replenishment of the Special Reserve Account, if the remaining US\$6.5 million of the implementation to the ICSC decision are taken from that account.

We are also looking forward to receiving the paper from the Secretariat exploring the extent to which closer collaboration on back office administrative and processing work between the three Rome based Agencies, FAO, IFAD and WFP could lead to overall saving efficiencies. This paper should be inspired by the ongoing informal debate beheaded by France, Cameroon, Italy and Germany. The importance of such a collaboration is clearly recognized in the Report of the Secretary General's High-level Panel on UN System-Wide Coherence, named: "Delivering as one", paragraph 27 where I quote: "to build long term food security and break the cycle of recurring famines especially in sub-Saharan Africa, the World Food Programme, Food and Agricultural Organization and International Fund for Agricultural Development, should review their respective approaches and enhance interagency coordination. Complementary strategies should be further developed to strengthen local capacity and resilience to mitigate and cope with consequences of famines".

#### **Ibrahim Bocar DAGA (Mali)**

Comme vous l'avez demandé, on va laisser de côté les problèmes relatifs aux propositions de réforme pour cet après-midi. Je crois que les deux Présidents du Comité du Programme et du Comité financier ont bien résumé la situation dans laquelle on se trouve. Il est heureux qu'il ait eu un consensus pour la révision du Programme de travail.

Je crois qu'il faut vraiment que nous fassions preuve d'un peu d'ouverture d'esprit et d'un peu d'égard à l'endroit de notre Organisation. Cela fait quelques bienniums déjà que le budget est rejeté, mais l'on n'a jamais cessé d'imposer ou de demander à l'Organisation des efforts. Peut-être que tout ceci rentre pour certains dans les gains d'efficience ou autre manière de gouverner, mais enfin!

La gouvernance, je crois que cela est un peu comme nous voyons l'organigramme de cette Organisation, mais quels sont les responsables? Pour nous, le Directeur général est un pilote, il fait avec! On ne peut pas réduire le budget et reprocher au hautes instances de la FAO d'essayer de faire avec: c'est contradictoire.

La situation de la FAO est inquiétante, on nous l'a dit et on va encore certainement nous le redire mais il n'appartient qu'à nous de sortir de cette situation. Nous avons des pays qui ne paient pas leurs arriérés et je dis que même les situations de guerre, de tensions internes ne peuvent pas justifier qu'un pays ne fasse pas honneur à son engagement en adhérant à une organisation. On adhère souverainement à une organisation et on entend par là qu'effectivement il y a quelque chose à payer. Je suis désolé de le dire, même pour nous, les pays en développement.

Il est courant de rencontrer des responsables de nos Etats et leur costume, seulement cela dépasse ce qu'ils doivent payer à la FAO, donc il faut que nous soyons responsables et les pays qui ne paient pas n'ont pas d'excuse parce que ces gouvernants ont l'obligation de nourrir quand même leurs populations et la FAO joue un rôle déterminant dans la production des vivres pour les populations. Donc, cela n'est pas admissible et il faudrait peut-être trouver les moyens d'y remédier et je le répète, être en crise interne ne justifie aucunement qu'on ne paie sa contribution à la FAO et surtout qu'au même moment l'on demande davantage à la FAO.

La deuxième raison c'est la coquetterie de certains pays, peut-être qu'ils veulent se faire prier tout le temps: de grâce donner, de grâce donner! Ces pays ont l'intelligence de ne jamais se mettre en arrière mais qui grèvent sérieusement la situation de l'Organisation. J'estime que c'est une rébellion, il faut appeler les choses par leur nom. Si nous voulons encore être Membres de cette Organisation, si nous voulons que cette Organisation joue son rôle mais au moins chacun en ce qui nous concerne faisons ce que nous pouvons en mieux pour que l'Organisation puisse être vraiment en mesure de fonctionner. On ne peut pas toujours être là à donner des leçons de morale, de sagesse ou de bonne gouvernance. Même la bonne gouvernance est rentrée dans les mœurs un peu partout. Les pays en développement ont fait des progrès énormes et les pays développés ont fait peut-être pendant des siècles avant de savoir ce que veut dire la bonne gouvernance. En quelques décennies, tous ces pays en développement se sont mis à la page, donc vraiment, je crois qu'il faut toujours éviter de se faire prier et il faut être responsable. J'estime que lorsqu'on est Membre d'une Organisation on l'est pleinement et je répète, nous sommes tous responsables de la gestion et de la survie de cette Organisation.

En voyant l'organigramme, tous les pays sont représentés et très bien. Ce sont parfois les pays en développement qui sont le moins représentés mais à partir du moment que l'on est Membre du personnel de direction de cette Organisation, on a une responsabilité majeure vis-à-vis de cette Organisation. Donc, il est temps que l'on se ressaisisse ou alors on nous dit clairement voilà de toutes les façons cette Organisation ne nous intéresse plus sauf si vous faites ceci ou cela, alors cela devient donc une Direction ou des directives. Mais alors, qu'on nous les donne les directives. Nous qui avons besoin de la FAO, mais si on nous donne des directives ce sont peut-être des directives que nous pourrions accepter. On ne peut pas reprocher à cette Maison d'être mal gérée. Les inspecteurs ne sont pas des citoyens de villages africains, ceux-ci proviennent de grandes compagnies internationales mais nulle part les inspecteurs n'ont jamais dit que cette maison était fondamentalement mal gérée par ses responsables. Alors, de grâce essayons vraiment d'être des partenaires loyaux. Les pays en développement ont besoin de la FAO. La FAO est un creuset de compétences c'est le lieu, je le répète encore, de prouver tout le sens de la solidarité internationale et la vraie. Alors, évitons de faire de la coquetterie, évitons de faire de la rétention. Vraiment pensons d'abord à la FAO et pensons, surtout comme nous aimons le dire, à ces centaines de millions de personnes qui n'ont pas à manger. C'est vraiment, Monsieur le Président, ce que je voulais dire et je fais appel au bon sens de tout un chacun. On ne peut pas rester en conflit permanent.

**Ms L.M. MUNGOMA (Zambia)**

We take note of the Report of the Joint Meeting of the Programme and Finance Committees. We recognize that the resource cuts, the delays as well as arrears, presented difficulties for formulating the Revised Programme of Work and Budget (PWB). Our delegation would like to support the Revised PWB. We recognize that in so formulating they wanted to protect the financing of priority areas, such as support to the IPPC, plant and animal genetic resources, food safety and agriculture water management.

Zambia regrets the liquidity position in which FAO has found itself, due to arrears and delays in payment of assessed contributions, which has resulted in deep budget cuts over the last two biennia. The payment of arrears is a collective responsibility and we therefore call upon all Member States regardless of size or economic strength to fulfil their obligations in a timely manner. On our part, I am happy to report that Zambia has cleared all her arrears and we made a point of the Minister depositing the cheque before he left to come and attend this Conference.

**CHAIRMAN**

I thank you, Zambia, for the good news of the arrears. I hope others will follow suit. Now I will invite the Distinguished Representative of Egypt to take the floor please.

**Yasser Abdel Rahman SOROUR (Egypt) (Original language Arabic)**

In order to respect the amount of time we have for Council work, I shall be brief. Allow me to begin by expressing my gratitude to the Chairpersons of the Finance and Programme Committees, for the presentation of this agenda Item.

Moreover, we do realize that the Organization is in a difficult situation. This has a negative influence upon the activities it is striving to carry out.

The situation which involves reducing a budget, the reduction of the budget obviously has an effect on the number of staff and their skills; hence this is a situation which is going to lead to a position where the Organization will not be able to respect the undertakings with Members and with countries.

Now, regarding assessed contributions and within the framework of good news, I would say that Egypt, by the end of next week, will have settled all of its arrears with the Organization for the biennium underway.

We would like to support the statement made by Nigeria regarding the support of the General Service Programme Salary Survey Results, measures adopted for the CCP and the COAG, which is with a view to efficiency savings. We would also like to underscore the need to coordinate efforts among the three Rome based organizations of the UN Common System in order to draw the most benefits from the resources available to the three organizations. We do support all efforts going in that direction.

**José Eduardo DANTAS FERREIRA BARBOSA (Cap-Vert)**

J'aimerais joindre ma voix à ceux qui ont appuyé le budget et le programme révisé de travail. J'aimerais aussi profiter de l'occasion pour informer cette Auguste Assemblée qu'en ce moment précis, mon Ambassade est entrain de contacter le Secrétariat pour régler tous les arriérés du Cap-Vert. En faisant cela, j'ai la conscience que mon pays non seulement sera en ligne avec ce que nous a proposé le Directeur général mais aussi avec les efforts de la Communauté internationale et les efforts du Cap-Vert pour l'agriculture dans le monde. Un pays qui n'a pas espéré que l'Union africaine et le NEPAD lui demande de consacrer 20 pour cent de son budget annuel à l'agriculture. En effet, le Cap-Vert consacre depuis quelques années plus de 20 pour cent de son budget à l'agriculture.

**CHAIRMAN**

Are there any other delegations who want to speak? Yes, I invite Libya and then Zimbabwe to take the floor. Libya, you have the floor.

**Abu Baker Al-Mabrouk AL-MANSOURI (Observer for Libyan Arab Jamahiriya) (Original language Arabic)**

To begin, I would like to extend to you the expression of our respect and greetings to you as the Chairperson of these proceedings. I would also like to add my voice to what has been said by previous speakers in praising the efforts deployed by this Organization and also thank those who prepared these Reports for the Programme and Finance Committees and this despite all of the difficulties faced by FAO.

We took a look at the Report of the Committee on World Food Security (CFS), discussed the conclusions reached by that Committee, which took place not long ago. The Report of that Committee is a real cause for concern. That Report clearly indicates that poverty, famine, deterioration in soil quality, water resources, the poverty of populations. All of those factors converge in projecting a considerable risk for all regions of the world and particularly the sub-Saharan region of the world. Now all those challenges place us very much at a crossroads. Are we going to be faithful to this Organization, providing this Organization needs to accomplish the tasks assigned to it and, hence substantially reduce the number of people undernourished and poor, or are we going to decide not to do that and allow this danger to build up?



Now, in Libya, we have always done our best to support this Organization. We have always taken an active part in programmes to finance the projects in sub-Saharan Africa and we have a long history of a very strong and bountiful cooperation with FAO; this Organization which we consider to be one of the pioneer organizations in the battle against poverty.

With respect to settling arrears, I can well imagine that the mechanism could be much stronger than the one we have at present. In any case, I do not know if this will help to provide the Organization with the resources it needs. I would suspect that many are the Ministers and Ambassadors here present who have expressed the wish to see the Organization assume a more active role by expediting its commitments. We would like to add our voice to what they have said with respect to assistance to the Organization.

All of these various factors that I have touched upon call for great and serious determination; this is what we need in Africa. We are striving to cope with very special problems. We are on one of the continents which is the most seriously affected. Now, if you take a look at the Report which we received yesterday, the situation so far would apparently be destined to get worse and worse. Now all of the committees, the commissions, no matter what their title may be, including the committee on the fight against desertification, the UN, all the international institutions and Agencies agree in saying that the risk is very very great indeed; a great risk, hence, the need to intensify and bolster efforts and to increase budgets which are dedicated to Africa and especially sub-Saharan Africa and all the programmes and projects that have to do with that area of the world.

Such a question demands utmost attention, first of all on the part of the offspring of the African continent, if they want to tackle and cope with this challenge and above and beyond the international community. I support this Report and add my voice to those of all my friends and colleagues in saying that it is necessary to spare no effort whatsoever to assist the Organization in doing what it strives to do with its Bodies, its departments, its branches, and support this Organization so that it may continue helping countries and we call on all countries that have yet to settle their arrears to pay much more attention to this issue of arrears and to settle said arrears so that the mechanism of FAO may be even stronger and stronger.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

I wish to acknowledge and commend the Reports that were tabled by the Chairs of the Finance and Programme Committees and we do support their recommendations.

My delegation goes along with the statements that have been made by the members of the G77 in the Council who have made their statements and also those from Africa, from the region where we come from - they spoke our mind and these are also issues that we had wanted to table but we are happy that our colleagues have already tabled them for consideration.

My delegation has identified two issues that we think should be given consideration if we are to address the challenges referred to in this Organization.

The first issue is this heavy dependence on borrowing. Why does the Organization have to depend on heavy dependence on borrowing?

The second issue is the fact that funds such as the Working Capital Fund and the Special Reserve Account are down to zero. Those should be worrying or red lights for us all in financial management.

My contribution is that, large borrowing will continue to compromise the quality of the programmes that we deliver and, in fact, it is eating into the delivery of programmes. This I can demonstrate by the example of the TCP Programme, which before was delivering at US\$12 million a month and as we talk it has gone down to US\$ 2.2 million a month. What does delivering at this rate do to the programmes on the ground? It means that we have to even reduce the quality of the programme by a degree that is even more than that. This is an element that we, as a membership, should look at with seriousness. The Finance Committee examined this and Zimbabwe is a member of the Finance Committee. We got the full explanation of how this was

affecting the programmes of the Organization to the extent that the External Auditor recommended that the Organization should slow down programmes until or unless resources come. We are slowing down the processes that Mr Pingali showed us yesterday - the process of trying to achieve the MDGs by the year 2015. So what message are we sending to the hungry? What messages are we sending to the farmers? These are some of the issues that we as Members should really look at and address.

For us we see the late contributions by the Members as one of the reasons that put the Organization in this dire situation and Members that have spoken before me have articulated this in greater detail. In September we found that it had received just a third of its regular budget from the membership, so really up to September we were only expecting it to perform at 30 percent of its capacity. I do not know what percentage we will arrive at after today's contributions. I wish to commend the various Members that have assured us of having made contributions or are planning to make their contributions to the Organization, but, be that as it may, it shows that really we have contributed to the FAO that we are looking at, to the quality of the delivery that we are constantly castigating, we have contributed as membership. Any Member that has not contributed their contributions should feel duty bound and committed and should feel responsible for the position we find ourselves in.

If I may look at our contribution rates, we looked at a situation whereby 42 percent of the budget was coming from just two Members and those two Members had not contributed and if they have not contributed today it means that the capacity of 42 percent of the Organization is still being held at ransom. Not only that, some of the bigger contributors, our friends in this programme, have not yet contributed and I think I would like to single out the EU as one of such Members that have also not contributed. At least most of them have not yet contributed by September, when we were looking at this. We have some big contributors who help us to make this Organization but who have not yet really demonstrated their political will to help us move forward.

Going by the statements that have come most of the G77 Members that have spoken before me, it is encouraging to note that they have demonstrated that at least they can pay their widow's might and now we are tabling the challenges to other parties.

My government has not paid in full, but I must admit, that I have contributed parts to this current biennium. We do recognize the situation that we are responsible, we are the beneficiaries of this programme but we would like to encourage others to feel the same responsibility when it comes to supporting the programmes.

The source of unbudgeted costs was fully explained to the membership. This is why I was really surprised that some Members from the Programme and Finance Committee would take the floor and even question the rationale. If I may give you an example of one of them, there were some increments in the international civil service of the United Nations. I do not know whether the membership that is suggesting that this resolution, which was reached after the Programme and Finance Committee had met in May, should have been set aside. It would have put FAO outside the normal United Nations machinery. By admitting this commitment, it is admitting its responsibilities. I can only urge the members to, please, help the Organization on that. This is a United Nations programme and is not an FAO in-house programme. It is United Nations standard programme and FAO cannot come up with any clear justification as to why it should stay out.

Where are the big contributors to some of these shortfalls? We have what we call the After Care Medical Services. This is a continuing problem. The figures are increasing by the day as insurance studies are improved. Before the figure was small but with each insurance study the figure gets bigger. It is outside the normal planning that the Organization has. Again, this is not an FAO issue alone. All United Nations bodies are going through the same situation as regards the After Service Medical Costs.

When we are being critical about the way we are operating, let us be critical but at the same time, look at the reality as it is.

My delegation goes along with the recommendation that was made in the Finance Report. We should look at resourcing, the working capital fund and the Special Reserve Account. We should use the Russian Federation contribution towards payment of part of the increments for the FAO staff that has been accorded by the United Nations.

We go along with this decision on the understanding that we have taken this decision to be a United Nations Body and these are some of the responsibilities that go with it.

While we are at it, I wish to note that from the report of the Programme Committee I would hope that the Telefood programme will be given the consideration it deserves. This is a programme whose projects reach the communities, whose projects reach the small farmers and it will be very difficult if we were to find such a programme compromised because of efficiencies or expediencies of one form or another. I would like to plead with this body that this programme be given the importance it deserves.

With that, I go along with the recommendations that have been made by the two Chairs.

**Bandar Ben Abdel Mohsin AL SHALHOOB (Saudi Arabia, Kingdom of)**

Congratulations for the very efficient way that you are guiding us in our work in this Council Session.

The document CL 131/LIM/1 which gives us information on the Status of Contributions indicate that Saudi Arabia still has some arrears to pay. We would like to announce that we shall be paying these arrears as soon as possible, since we are perfectly well aware of the very positive role that FAO is playing for agriculture throughout the world.

**CHAIRMAN**

Now I would like to thank you all for your contribution to the debate and I should like to go back to the Chairperson of the Programme Committee – we do not have the Chairperson of the Finance Committee with us – and then to Mr Juneja, if he wants to reply to the points which have been raised.

**Victor C.D. HEARD (Chairman, Programme Committee)**

I would like to thank the distinguished delegates for the thoroughness and the detail of the comments and the way that the thoughts of the Joint Committee meetings have been carried forward, obviously, in their own discussions, presumably in the Regional Groups and elsewhere.

There were three broad areas covered and I think most people addressed the issues of finance and the solvency of FAO. Issues of organization were also discussed and other delegation focused as well on the wider issues of the future of FAO. I think this is of significance. We did not go into great detail in the Joint Committee over what FAO is for and what its contribution to development should be. I think this is the context in which we were holding our discussions and I think that we would agree with the distinguished delegates of Mali, Libya and Zimbabwe about the importance of FAO and its role and the need for these Committees to help direct the work of FAO.

Regarding the organizational issues, I think I detected agreement over the need to bring together the Rome-based Agencies. The suggestions that have been made within the Joint Committee to raise the same issues in the governance bodies of all three Agencies so that they can work together on producing a joint position seems to be an excellent way forward.

On finance, I think that various delegates here have some doubt about the position in various ways. We do have a problem with liquidity, unbudgeted resources, arrears and late payments. I think that these things are now very much out in the open and, as a result, the focus that the Joint Committee was able to have on the issue of the US\$27 million of unbudgeted funds – which I think is probably a correct figure, as identified by Japan – is certainly a extremely worrying issue. The Joint Committee certainly saw it this way.

The other issues of liquidity and arrears are equally as serious, although perhaps not quite so imposing as possible milestones for us in the future.

On the subject of arrears, if I may say so, I wonder if – and I hope this Council will endorse the Reports of the Joint Committee meetings – we could also present our salutations to the four countries who have announced the planned resolution of their arrears. We spend a lot of time complaining about arrears and we do not always acknowledge the fact when people take this excellent step and move forward to deal with them. I think Zimbabwe, Egypt, Cape Verde and Saudi Arabia have mentioned this as part of the actions their governments might have taken or plan.

Can I also – as a number of speakers have referred to late payments and they are presumably looking at the table of contributions, which was produced before this meeting – say that the production of that table is an excellent thing because the result of it has been a number of governments realizing that their contributions are not on there and have, therefore, moved to pay them. I think this has been a step in the right direction for several Member Nations.

Having said that, I would like to thank the distinguished delegates for their contributions and their comments. In the Programme Committee and the Finance Committee, I can probably speak for my colleague in the Joint Committee, we have taken note of them.

#### **CHAIRMAN**

Now I turn the floor to Mr Juneja, Director of Programme, Budget and Evaluation Division for his comments.

#### **Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

I should like to acknowledge the figure of US\$27 million, which the Representative of Japan kindly recalled as the 2006-07 unbudgeted costs, as well as the breakdown provided.

As you have heard, the largest item of unbudgeted costs was US\$16 million, which is the forecasted staff cost variance for the biennium. This arises from the fact that actual staff costs, now estimated in 2006-07, will be US\$16 million higher than the estimates that were provided in the Programme of Work and Budget.

The second largest item pertains to the General Service Salary Increase, which is now to be partly funded from the assessed contributions from the Russian Federation. I might add that that estimate of the unfunded balance of US\$6.4 million was provided to the committees in September, before the Joint Meeting provided its guidance on the use of the Special Reserve Account.

Let me stress that Financial Regulation 4.1 obliges the Director-General to incur obligations up to the amounts voted in the appropriation. What this therefore means is that when the Secretariat reports some unbudgeted costs, those costs have to be met from within the approved budget. The manner in which this is done is by reducing the biennial allotments together with the assurance that the Secretariat would protect, as much as possible, the priority programmes that have been identified by Council, by Conference, the Programme and the Finance Committees. It is important that I stress the point that the Director General does have a constitutional obligation to stay within the appropriations even when there are unbudgeted costs to the tune of US\$27 million.

I should also stress that unbudgeted costs of this nature are not new. In fact, the Council has before it the Finance Committee's report on the Budgetary Performance for 2004-05. I am referring here to Council document CL 131/9, in particular, paragraphs 5 to 10.

If we were to review the performance of the Organization in 2004-2005 as reported to Council, we would note in paragraph 5 of CL 131/9, that in 2004-2005, I quote: "...staff costs exceeded budgeted costs by US\$ 16 million for the biennium". What this is saying is that in 2004 and 2005, the staff cost variance was almost exactly the same as it is projected to be in 2006-2007. Turning to paragraph 8 of the same report that refers to the previous biennium, I quote: "...the Finance Committee recalled that it had authorized the use of arrears for unbudgeted, redeployment and separation costs of US\$ 4.1 million and security expenditure of US\$ 2.8 million". Therefore, in 2004-2005, there were unbudgeted costs of US\$ 16 million, plus US\$ 4.1 million, plus US\$ 2.8

million, reported to the Finance Committee. That comes to almost US\$ 23 million of unbudgeted costs in 2004-2005. I might also add that in paragraph 10, the Committee congratulated the Secretariat on its sound management of the 2004-05 Regular Programme performance.

Now having said that such unbudgeted costs have been incurred in the past, in no way reduces the Secretariat's preoccupation of the nature of these costs because, as I mentioned earlier, it does involve adjustments to the approved Programme of Work of the Organization. A figure of US\$ 27 million of unbudgeted costs in 2006-07, would amount to a significant 4.6 percent of the Programme of Work.

However, a question was perhaps also put as to whether this might in some way negate the approval of the revised Programme of Work and Budget and I should like to therefore address the question of how these unbudgeted costs were put to the Governing Bodies at the time when the revised PWB was being deliberated by the Programme and Finance Committees. Regarding the largest single item of unbudgeted costs, the staff cost variance, in fact the May session of the Finance Committee reviewed a paper on the difficulty in forecasting the staff cost variance. The outcome of the deliberations of the Finance Committee are contained in paragraphs 38 through 41 of document CL 131/9. The Finance Committee, I quote "...acknowledged the difficulties in accurately forecasting staff costs". It also noted that there was an important difference between FAO and the UN in the funding mechanism available to handle such staff cost variances. The point I would like to make is that the Secretariat has tried to engage quite actively with the Finance Committee in drawing attention to the problem of forecasting staff cost variances.

With regard to the General Service Salary Increase, I should also mention that the revised Programme of Work and Budget document that was reviewed by the Programme and Finance Committees in May, in paragraph 61, I quote, stated "...budgetary performance could be negatively affected by an unbudgeted increase in General Service salaries once the ICSC takes a decision on the outcome of the recently completed place-to-place survey in Rome". I should therefore like to underline that the Secretariat has tried as much as possible, on the basis of the information available at the time, to engage with the Governing Bodies in providing this information and in ensuring that the revised Programme of Work and Budget was approved by the Committees on the basis of the latest information available at the time.

There was a suggestion made from the representative of Japan about the possibility of presenting a further revised Programme of Work and Budget 2006-07 at the May 2007 meeting. I think there is a way around this because the Finance Committee, in May 2007, will receive a Report on the budgetary performance for 2006-07. We will see to it that apart from making a request for chapter transfers, which the Finance Committee is mandated to approve, that we also describe the overall programme impact of any adjustments that have been made as a result of having to cover unbudgeted costs. Of course after that, in 2008, the Secretariat would report more fully in the Programme Implementation Report 2006-2007, the impact of the reductions.

There were views expressed by Members on the use of the Special Reserve Account for the General Service Salary Increase and I should like to mention that the Special Reserve Account's use for this purpose is proposed by the Director-General very sparingly. In fact the last time it was proposed to cover unbudgeted and unforeseen costs through the SRA was in 1998-99 and before that in 1992-93. So really even the Secretariat recognizes that the circumstances have to be quite exceptional before seeking the approval of the Governing Bodies in this regard. I should also mention that Conference Resolution 13/81 actually gives the approval authority for charging the Special Reserve Account to the Programme and Finance Committees. Of course, however, in practical terms the Director-General has underlined that the approval is very closely linked to the need to replenish the Special Reserve Account given the fact that it is almost depleted.

Mr Chairman, there were several comments made about the liquidity problems and in the light of your guidance at the beginning of this meeting, perhaps these issues could be taken up under item 8 of your Agenda which would be the reports of the Finance Committee, where this matter was comprehensively discussed.

**CHAIRMAN**

Are there any further questions or comments from the floor? If not, I can say that a concern was read about the financial situation of the Organization, especially unbudgeted and unforeseen costs, about the liquidity problem and arrears which we would again discuss later under 8 and under depleted Special Reserve Account, but as was mentioned, we do have a Report on budgetary performance in the May Session of the next year, which hopefully deals with this. This is a serious problem that the Organization has to take care of that, has to take it into account. In addition to that, the inter-agency coordination between FAO, WFP and IFAD received attention of the Council and I am sure that the Secretariat has taken note of that. These are the outstanding points but there are other points that the Secretariat has taken note of and with this, I want to say that the Council endorses the report of the Joint Committee of Finance and Programme Committee. So decided.

**7. Reports of the Ninety-fifth (May 2006) and Ninety-sixth (September 2006) Sessions of the Programme Committee (CL 131/11; CL 131/12)**

**2. Rapports des quatre-vingt-quinzième et quatre-vingt-seizième sessions (mai et septembre 2006, respectivement) du Comité du Programme (CL 131/11; CL 131/12)**

**7. Informes de los períodos de sesiones 95º (mayo de 2006) y 96º (septiembre de 2006) del Comité del Programa (CL 131/11; CL 131/12)**

**CHAIRMAN**

Now we have to move to Item 7 on our Agenda. Reports of the Ninety-fifth and Ninety-sixth sessions of the Programme Committee. The reference documents is CL 131/11 and CL 131/12, respectively.

Before inviting Mr Heard, the acting Chairperson of the Programme Committee – who took over the Chair of the Committee in the September session – to introduce the Reports, please allow me to remind you of the approach to handling agenda Items we adopted earlier today, whereby you are kindly requested to withhold your comments on two documents:

First, Implementation of Conference Decisions and Proposals for the Director-General, which will be taken under item 9 of this Agenda this afternoon. The other one is the Programme Implementation Report (PIR), for 2004-05 which would be dealt with tomorrow when we are discussing item 5 of our Agenda. With these two clarifications and I again repeat, please withhold your interventions about the Implementation of Conference Decisions and Proposals under the Director-General's report and on Programme Implementation Report (PIR). One would be dealt with this afternoon and the second one would be dealt with tomorrow under item 5. Allow me therefore to pass the floor to Acting Chairperson of the Programme Committee, Mr Heard.

**Victor C.D. HEARD (Chairman, Programme Committee)**

I can again be brief because the main Items that were discussed by the Programme Committee at its last meeting, were the two which our Chairman has asked us to not speak of it at this moment but to save until later. Can I just say first of all, that I am indeed the Acting Chairman, and acting as the Chairperson of the Programme Committee, as Mathew Wyatts was, I am sure you will recall, elected to the Chair of the Programme Committee at the last Conference. Quite soon afterwards he was recalled to London by his Government. Instead of doing that, he is going to work for the International Fund for Agricultural Development, so there is no way that he could possibly chair this Committee meeting. The Committee kindly elected me as Vice-Chair and has asked me to act as Chair, although this is due mainly to the kindness of the other acting Vice-Chairman, who is the Ambassador of the Dominican Republic, we thought this was a better arrangement that preserved some ways that this Organization has worked in the past.

Can I first of all therefore, say that I am a complete newcomer to the Programme Committee and that as a newcomer, I was very impressed by the depth of discussion and the seriousness of the discussion that took place during the Programme Committee's meetings. I was even more impressed by the capacity of the Secretariat of FAO to produce instant answers to quite

complicated questions, very patiently and very thoroughly, and to keep us as informed as we wish to be. So I am sure that there will be some recommendations in the Independent External Evaluation for the way the Programme and the Finance Committee will work, but I think there are aspects of those Committees which are very much worth preserving and I would like to thank the Secretariat for all the help they provided to the Committee and to the Committee Members for the thoroughness with which they approached their agenda.

Now the little bits of the agenda that are not reserved for future items are principally the discussion of the Programme of Work and Budget that took place during the 95<sup>th</sup> Session of the Programme Committee in May 2006, and here I think we have already in fact touched upon these issues in the discussion of the Joint Committee Meeting because these are the discussions of the Programme of Work and Budget and the work was delegated to the Programme Committee by the Conference, which I think is now being disposed of. However, I am sure that if there are issues that Members wish to raise concern with that, there will be no problem about their doing so. Also during that session of the Programme Committee, the Committee Members made, I think possibly for the first time, a request to re-arrange some items of the Programme of Work and Budget that were presented to them and to actually made amendments and I note that these were fully taken into account by the Secretariat and they are reflected in the material that was put forward to the Programme Committee at its next meeting. These were re-arrangements of finance within the Programme of Work and Budget to prioritize the areas.

Having said that, the item on the agenda of the 96<sup>th</sup> Meeting of the Programme Committee, the one that took place in September, which is not reserved to future meetings is the Item on Evaluations principally. I will not go into great detail because the Evaluation Reports are available to the entire membership and the Report of the Programme Committee goes into some detail about the extent to which we discussed them. Briefly though, the one that has been referred to already by the Distinguished Ambassador of Zimbabwe who certainly revealed that Telefood had its supporters in the Programme Committee and in FAO generally and is valuable in many ways. There were some questions, I think they were appropriate questions raised by the evaluators and discussed in some detail by the Committee Members. As to the effectiveness of this as an advocacy programme and the extent to which FAO should be engaged, on what are, really very small programmes run in the field. These are two separate issues and FAO has been asked to provide and expanded Management Response to the next Programme Committee Meeting, which will look into some of these issue.

The second evaluation we considered, was the one on objective D2, which is the objective dealing with Conservation Rehabilitation and Development of Environments at Greatest Risk. This it was appreciated, was quite a complex evaluation, a difficult subject to approach from an evaluation point of view. The conclusion of the Committee was that FAO should continue to have an objective on Fragile Ecosystems. The Committee broadly welcomed the Management's plans to follow up on the evaluation. In accordance with normal practice, we will see another report on this in about two years time when these matters have been taken further.

The Desert Locust Campaign Evaluation was rather different to the others as it was a fully external evaluation. It was not an evaluation of FAO, it was an evaluation of the entire Desert Locust Campaign and covered therefore, the actions of FAO, its partner organizations, donor countries, countries affected by the locust plague. There were recommendations in this evaluation for all parties. We have raised a great number of questions and among the issues that was felt needed attention, along which the programme really focused, were those concerned with finding somewhere maintaining capacity in countries and elsewhere and in FAO to deal with an emergency that although we know it is going to arise every so often, only arises every ten, five, fifteen, twenty years, one never knows and it is maintaining the standing capacity which has proved the problem and the issue which FAO has particularly been asked to address.

Again, a fuller management response and that issue and other issues have been sought from the Secretariat by the Committee for one of its future meetings.

Finally on evaluation and I think finally on these aspects of the Programme Committees Report, which we can speak of at the moment. The Committee has asked that in future, there should appear on its Agenda the issue evaluation rather than just evaluations because there are general generic issues to do with evaluation which we felt it would be helpful if the Committee were able to discuss separately to the evaluations themselves.

#### **CHAIRMAN**

Thank you Mr Heard for your introduction and now I will open the floor for the distinguished delegates for their comments or questions again emphasizing that we do not consider the Programme Implementation Report for 2004-05 and the issues related to the further reform proposal by the Director-General.

These will be considered later.

Other than these two, I welcome your comments on other issues in the Report of the Programme Committee.

#### **Patrick PRUVOT (France)**

Je vous serais reconnaissant de bien vouloir donner la parole à la délégation de la Finlande qui s'exprimera au nom de l'Union européenne.

#### **Ms Heidi PIHLATIE (Observer for Finland)**

Finland is speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

Our comments on the Report on the Ninety-fifth and Ninety-sixth sessions of Programme Committee will focus on the Revised Programme of Work and Budget 2006-07 and the evaluation reports, while the Programme Implementation Report and the FAO reform issues have been and will be discussed under separate agenda Items.

First we would like to thank the Programme Committee members for the high quality debate on matters essential for the future work of FAO. Their efforts prepare ground for the decision making in the Council. Thanks need also to be extended to the FAO Secretariat for the documents and Reports facilitating the debate and decision making.

The revised Programme of Work and Budget 2006-07 was discussed in detail in the Finance Committee and Programme Committee May meetings and some concerns were raised on the priority setting and reformed programme structure. The Committees however, approved the PWB, which ensures the operational activities for the current biennium.

Recognising the benefits achievable through and efficient decentralisation, we would like to emphasise that it remains essential to maintain FAO's critical mass at the Headquarters for fulfilling its mandatory responsibilities as provider of Global Public Goods, ensuring the necessary human and financial resources.

We can support the Programme Committee's recommendation on postponing the issuance of the next Mid-Term Plan. This is beneficial in terms of time and resources saving since many changes are on-going or foreseen in the Organization. Preparation of the Mid-Term Plan would be based on weak premises at this stage. The next main effort after the IEE will be the review of FAO's Strategic Framework, which will establish the foundation for the future Mid-Term Plans.

The Programme Committee paid attention to the issue of extra-budgetary funding of the Organization and the position of those funds in the Programme of Work and Budget. We recognise the difficulties attached to these funds based often on a rather short planning horizon, however, considering their volume, they need to be presented at least as planning figures in the Programme of Work and Budget.

The previously fragmented advocacy functions have now been gathered under one structure which will increase their synergies. The scarce resources of the Organization might still justify a



critical review and prioritisation of the various advocacy and liaison activities. This was partly covered in the evaluations of the partnerships and alliances and Telefood, but a more comprehensive review might still be necessary.

We can support the emphasis at the partnership evaluation put on strategic prioritisation of the partnerships taking selectivity and complementarities into account. We also strongly support putting emphasis on the partnerships among the UN Agencies in general and among the Rome based Agencies in particular. The civil society plays undoubtedly an important role in FAO but the modalities of these partnerships as well as the private sector partnerships need further elaboration.

The Telefood evaluation raised some important issues that need actions from the part of FAO. We would specifically like to initiate the discussion on FAO's role in pursuing very small Telefood projects, which consume significant human and financial resources. FAO's role should rather be a catalyst and facilitator, not a project implementing organization, especially as regards microscale development interventions.

We are concerned by the conditions under which the multilateral evaluation of the 2003-05 Desert Locust Campaign was carried out. We are looking forward to an elaborated management response and continuous dialogue among the parties including the donors on measures needed for improving the performance of the future Desert Locust Management and Control Campaigns.

**Lee BRUDVIG (United States of America)**

I have just two very brief comments to make.

First of all I want to say that we are very pleased with the recommendation of the May Session of the Programme Committee that allotments to priority areas including the IPPC, Plant and Genetic Resources, CODEX and others not fall below the budgeted amounts. Another issue discussed at the May Session was the issue of how extrabudgetary resources should be presented in the Programme of Work and Budget.

More information on extrabudgetary funding would give the Committee a better picture of the overall funding available for a particular programme and would allow the Committee to make more informed decisions. The United States agrees with the Committee's recommendation that this issue could be usefully addressed by the Independent External Evaluation.

**Ibrahim Bocar DAGA (Mali)**

Je m'excuse de reprendre la parole mais c'est à propos des projets Telefood. Je n'arrive pas à comprendre quand on sait ce que sait exactement sur le terrain, comment des gens peuvent être dérangés par l'intervention de la FAO dans les Telefood. De quoi s'agit-il? de petits projets pour des personnes vulnérables. Il s'agit par essence de projets de lutte contre la pauvreté. Ça dérange cette grande Organisation là d'aider ces pauvres? Quelle est notre vocation? aider des pauvres à avoir un poulailler? se faire des œufs? aider les petits éleveurs à avoir une vache qui a encore du lait, ainsi de suite, faire des petits? Ça, ça peut gêner le travail de la FAO? En fait, c'est le nom de la FAO qui fait la réussite de ces TeleFood. C'est le fait que la FAO a encore aujourd'hui beaucoup d'audience de part le monde. En tout cas dans ces pays où il y a des projets Telefood. Donc de grâce, il ne faut pas voir en cela quelque chose qui peut diminuer le travail de la FAO. Au contraire, c'est à son honneur. C'est à son honneur de parrainer ce genre d'opérations. Et croyez-moi, nous qui voyons ces Telefood s'exécuter par ci par là, mais on mesure la rentabilité et l'utilité. Donc là encore vraiment il ne faut pas être à côté de la plaque. Ça rentre parfaitement dans les obligations de la FAO.

**Bright RWAMIRAMA (Uganda)**

My delegation would like to make two comments, one on the livestock production system management. Although the item is protected from budgetary cuts, our delegation notes that less resources are provided in paragraph 35 and yet the contribution of livestock to attain the Millennium Development Goal is so enormous, we would like to see fairly adequate resources put

to the item, specifically on the following priorities, transboundary disease control, and also genetic resource centres.

We would also like to make a comment on Telefood Trust Funds. My delegation is concerned that the good will of FAO started for the poor under the Telefood Trust Fund has come to a standstill in my country. No Telefood programme proposal has been approved for the last three years, yet the other 38 projects previously funded since the exception of the programme, have significantly helped the poorest of the poor by both increasing their incomes and providing food for security. We therefore encourage FAO to support the Telefood programme for higher production and output and poverty reduction.

**Carlos ALFARO ALFARO (Cuba)**

Nos preocupa el ánimo que prima en las intervenciones de varios delegados. Sabemos que el ahorro de los recursos compite contra el mejor desempeño de la Organización, pero hay quienes se empeñan cada vez más en insistir en que se revisen, se transformen los programas operacionales. Oíamos a la distinguida Embajadora de Zimbabwe, hablando de la reducción dramática que enfrentan los PCT. Ahora estamos evaluando reconsiderar la aplicación de los programas TeleFood y que la FAO se ocupe de ellos. Ayer oíamos decir, no hacer eco de nuevos mecanismos que fortalezcan las capacidades nacionales porque implican nuevos recursos de la Organización.

Tenemos, por otro lado, las expectativas de una evaluación independiente que se parece a una fábula que se le dice a los niños: "si no te comes la comida, te voy a traer el coco". Realmente, si no avanzamos, si no empezamos a aplicar algunas de las voluntades expresas por los Estados Miembros en la Conferencia, en los Comités, no vamos a contribuir a reducir el hambre y la desnutrición, no hay objetivo de la Cumbre Mundial que pueda ser logrado, no hay erradicación del hambre y no hay cumplimiento de las Metas del Milenio.

¿Hasta dónde pretendemos que la racionalidad y el ahorro simplifiquen la capacidad de operación de la Organización? Yo los invito a reflexionar, porque cada vez que damos un paso, tenemos que enfrentar la oposición de aquellos que prefieren estancar la Organización y esperar por una Reforma y una Evaluación Independiente, tan anunciada y tan esperada, como la necesidad de erradicar el hambre y la malnutrición.

**Sra. María Isabel CADIMA PAZ (Bolivia)**

Sin lugar a dudas quiero agradecer el trabajo que ha realizado el Comité de Programas. Creo que ha sido bastante informativo y nos ha dado a conocer con gran satisfacción los ahorros que se han podido lograr hacer y los trabajos que se han ejecutado. Mi delegación quiere intervenir muy brevemente, en el sentido de que para nosotros también es primordial que se vuelva a los principios fundamentales para los que fuera creada esta Organización. Es importante que lo volvamos a repetir, los países que estamos participando y que creemos firmemente en los propósitos que ha puesto la FAO en el mundo, luchar contra el hambre.

En este sentido creo que sería oportuno en este momento para Bolivia apoyar los trabajos que se están haciendo con TeleFood, así también como algunos otros proyectos que se realizan a través del Programa de Embajadores de Buena Voluntad de la FAO. Creo que son proyectos que, sin lugar a dudas, dan visibilidad a la Organización y que nosotros como Miembros de este organismo podemos aprovechar muy puntualmente.

**Eudoro Jaén ESQUIVEL (Panamá)**

Permítame, para iniciar, corregir una omisión efectuada durante nuestra intervención de ayer. El deseo de ser breve me impidió prestarle la complacencia de nuestra delegación por verle presidir nuestro debate. Conocemos su capacidad y equidad por lo que estamos seguros que con la asistencia de los distinguidos Señores Vicepresidentes sabrá conducir con éxito nuestras deliberaciones.

Al oír algunos de nuestros distinguidos colegas delegados, deseo expresar parte de lo que pensaba decir más adelante. Nuestra delegación desea evidenciar nuestro firme compromiso con los esfuerzos de la FAO y nos preocupa cuando vemos algunos de nuestros colegas criticar programas como TeleFood y los Embajadores de Buena Voluntad de la FAO. Para los que viven en la opulencia a veces se les hace difícil entender lo valioso y eficiente de estos pequeños programas. En este momento quiero reiterar ese pensamiento. Nos preocupa que algunos países ricos que viven en la opulencia parecen no comprender las necesidades e insatisfacciones de los más pobres ni tampoco la gran contribución que los pequeños programas mencionados hacen para elevar el nivel de desarrollo.

**CHAIRMAN**

Thank you distinguished Representative of Panama, any other requests for the floor? I do not see any so I will ask Mr Heard to see if he has any response to the points which have been raised.

**Victor C.D. HEARD (Chairman, Programme Committee)**

I would like to thank the distinguished delegates for their comments, it was extremely interesting to listen to what I think was really a rehash of virtually the discussion which took place in the Programme Committee over Telefood, and clearly this is something which excites the interest of all Members, and I think that the last speaker, Panama, has probably summed up what we are all focussed on, which is a matter of impact of small projects and I think that the evaluation says more or less that where Telefood works well, it works extraordinary well, because the impact of small projects is magnificent. The trouble is they also said on the way it did not work very well, it was something of an embarrassment, because FAO should not be associated with poor small projects. So I think what we have asked for is a revisitation of how this can be made to work well elsewhere, and I think this is what the further management responsible is to look at. So I do not think that anyone is actually against Telefood, the Programme Committee was very much in favour of it but in favour of it working as well as it should.

That is my only comment and only response to these excellent and helpful comments.

**CHAIRMAN**

Thank you for your very useful comments, and I will now give the floor to Mr Juneja again to add whatever he thinks appropriate to the response.

**Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

The Secretariat has taken careful note of the views expressed by Members on the Telefood evaluation and the multilateral evaluation of desert locust.

The Managers concerned will of course take into account these comments in the extended management response that is to be submitted to the May Session of the Programme Committee in 2007.

I have also taken note of the statement made by the distinguished Representative of Finland, speaking on behalf of the EU, that the Medium Term Plan 2008-2013, if prepared now, would be on weak premises and the suggestion that a Medium Term Plan should be prepared after the IEE. In fact, you may recall that the Director General alluded to this in his statement yesterday, and the Chairperson of the Joint Meeting in reporting the deliberations in May 2006 also recalled the recommendation of the Joint Meeting to postpone the preparation of the MTP. So, on behalf of the Secretariat, we would look forward to reflecting such decision of the Council in your Report.

**8. Reports of the Hundred and Twelfth (February 2006), Hundred and Thirteenth (Rome, May 2006), Hundred and Fourteenth (June 2006), Hundred and Fifteenth (September 2006) and Hundred and Sixteenth (October 2006) Sessions of the Finance Committee (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19)**

**3. Rapports des cent douzième, cent treizième, cent quatorzième, cent quinzième et cent seizième sessions (Rome, février, mai, juin, septembre et octobre 2006) du Comité financier (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19)**

**8. Informes de los períodos de sesiones 112º (febrero de 2006), 113º (mayo de 2006), 114º (junio de 2006), 115º (septiembre de 2006) y 116º (octubre de 2006) del Comité de Finanzas (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19)**

#### **CHAIRMAN**

We are starting Item 8 of our Agenda, which is the Reports of the Hundred and Twelfth, Hundred and Thirteenth, Hundred and Fourteenth, Hundred and Fifteenth and Hundred and Sixteenth Sessions of the Finance Committee which is for discussion or decision.

Before passing the floor to the Chairperson of the Finance Committee once again I would like to remind you that we are not discussing the three following documents: one is the Programme Implementation Report for 2004-2005 which should be discussed under Item 5 tomorrow. The second one is the Revised Programme of Work and Budget 2006-2007 which we have already discussed under Item 6; and the third one is the Implementation of Conference Decisions and Proposals and Further Reform of the Director-General which will be discussed under Item 9 this afternoon.

The documents for Item 8 are the Reports of the Finance Committee contained in documents CL 131/8, CL 131/9, CL 131/10, CL 131/7, CL 131/19 and 131/LIM/1. Documents CL 131/LIM/1 concerns the Status of Contributions for 2006 and is presented to Council for information. Of course, we have already had some discussion on that.

In accordance with General Rules 24.3b and 27.71 of the Organization, the document has been prepared by the Secretariat to provide the Council with an update on contributions at 17 November 2006; two days ago. At that date the Organization had received over US\$103 million and €13 million in respect of 2006 assessments. This represents more than 57 percent in US Dollars and more than 64 percent in Euros. Receipts of arrears of contributions to more than US\$73 million and more than €28 million, which is substantially higher than at the same time last year.

Regrettably, as of 17 November 2006, 55 Member Nations, over 29 percent of the membership of the Organization, have not made the payment towards the US Dollar portion of the 2006 assessment and 66 Member Nations, which is 35 percent of the Membership, have not made any payment towards the Euro portion of the 2006 assessment. In addition, 60 Member Nations still have arrears outstanding from 2005 and previous years and 27 owe arrears in such amounts as would prejudice their right to vote at the forthcoming Session of the Conference in accordance with Article 3.4 of the Constitution. Of course, some of our colleagues informed us today that they have paid later than that or that the intention is to pay it very shortly.

No decision is called for on this Item at this time. It is customary, however, for the Council to emphasize the importance for all Member Nations to honour their financial obligations towards the Organization since only in this way, with proper financing, can the Organization continue to fulfil its mandate. The Council may wish to include a statement to this effect in its Report on this Item.

Before giving the floor to Mr Khawaja, I would like to remind delegates that issues requiring the Council's attention are presented in table format at the beginning of each Report of the Finance Committee.

**Aamin Ashraf KHAWAJA (Chairman, Finance Committee)**

I am pleased to be here with you today to present the Reports of the five Sessions of the Finance Committee that have taken place since our last Sessions. These Reports are submitted to the Council and documents CL 131/7, CL 131/8, CL 131/9, CL 131/10 and CL 131/19.

It is noted that our Hundred and Twelfth, Hundred and Fourteenth and Hundred and Sixteenth sessions were special sessions convened to deal exclusively with WFP matters. Our Reports on these matters have been submitted to the WFP Executive Board for its concentrations since then.

The Agenda of our regular Sessions covered a range of budgetary, financial and administrative matters concerning and affecting the overall situation of the Organization. In addition to its review of the financial position of the Organization the Committee also considered questions of oversight and human resource management. The Hundred and Thirteenth and Hundred and Fifteenth regular Sessions included a Joint Meeting with the Programme Committee. In this introduction I would like to highlight those points not covered elsewhere in the agenda and of general interest to or which require action by the Council.

I would take up the first item as the FAO Audited Accounts for the years 2004-05, the previous biennium. This item is presented to the Council for review and submission to the Conference in accordance with General Rule XXVII.7(i) of the Organization. Document C 2007/5A contains the Organizations Audited Accounts for the 2004-2005 biennium, while document C 2007/5B contains the External Auditors long form report thereon.

The Finance Committee examined these Audited Accounts, noting the comments and clarifications provided by the External Auditor and the Secretariat. It should be highlighted that the External Auditor issued an unqualified opinion on the financial statements. The Committee's deliberations regarding the Audited Accounts are recorded in CL 131/7 paragraphs 10-14.

The Committee recommended that the Council submit the Audited Accounts to the Conference for adoption. The relevant draft Conference resolution is included in document CL 131/7 paragraph 15.

I would now take up another important item that came up before the Finance Committee and which pertained with measures to improve the Organization's cash shortage situation. The Committee noted that the cash liquidity situation of the Organization was critical and discussed measures to improve the Organization's cash shortage situation reviewing documentation prepared by the Secretariat in this respect.

It was agreed that timely payment of assessed contributions by Member Nations was essential, as has also been pointed out by Independent Chair just a short while ago. A number of proposals in this regard were discussed.

The Committee encouraged the Regional Groups to consult actively on these proposals with the aim to arrive at a consensus, possibly by the Council session in June 2007. Details of proposals considered may be found in document FC 115/8. The Committee's discussion on this issue is reported in CL 131/7 paragraphs 26-30 and CL 131/9 paragraphs 42-44.

Coming to the Status of Contributions; this item is presented to the Council for information in accordance with General Rules XXIV.3(b) and XXVII.7(i) of the Organization. At its Hundred and Fifteenth Session the Committee reviewed the Organization's financial status and noted that the General Fund deficit for the first six months of the 2006-2007 biennium stood at US\$ 124.9 million.

The Committee also noted that there had a very low payment rate by Members of the 2006 Regular Programme assessments, with only 39.5 percent of the amounts due received by 21 September 2006, thus nearly US\$300 million was still owed to the Organization. Document CL 131/LIM/1 has been prepared by the Secretariat to provide the Council with an update on this position as at 17 November 2006.

The Finance Committee was also troubled by large amounts of unbudgeted costs and unfunded or unrecorded liabilities brought to its attention by the Secretariat, as highlighted by the External Auditor. The Committee also had a full discussion of ways to restore the financial health and long term sustainability of the Organization.

The Finance Committee was very seriously concerned with liquidity shortage caused by the worsening trend in delayed payments of the Members' contributions. The impact on cash flow was far reaching as all reserves have now been exhausted and without substantial payments by the Members, external borrowing would continue to be required for the rest of the biennium.

While there was support from many Members for replenishment of reserves, the Finance Committee requested the Secretariat to submit an appropriate financial plan for the remainder of 2006-2007 containing programme spending, liquidity implications and required levels of reserves. The Finance Committee also requested a proposal within the next SPWB 2008-2009 aimed at restoring the financial health and the long term sustainability of the Organization.

While no decision is called for on this item at this time it is customary for the Council to emphasize in its Report the importance for all Member Nations, irrespective of size, to honour their financial obligations towards the Organization since only in this way, with proper financing, can the Organization continue to fulfil its mandate.

The Committee's detailed deliberations regarding the financial situation of the Organization are recorded in documents CL 131/7 paragraphs 4-9 and paragraphs 38/41 and document CL 131/9, paragraph 11-17.

I would now come to another aspect for discussions which pertain to budgetary performance. In accordance with Financial Regulation 4.6b, the Finance Committee reviewed the Director-General's Annual Report on Budgetary Performance and Programme and Budgetary Transfers at its Hundred and Thirteenth Session. This report is reproduced in document CL 131/9 Annex 1.

The Committee noted that the 2004-05 spending represented 99.9 percent of the US\$ 749.1 million appropriation and resulted in a surplus balance of US\$ 0.9 million. It was noted that the performance was inline with previously reported projections, including actual staff costs, which exceeded budgeted costs by US\$ 16 million for that biennium.

The Committee further noted that transfers between budgetary chapters were required for the biennium for chapters 1, 2 and 5 to Chapter 3, which amounted to US\$ 1.5 million and chapter 6, which amounted to US\$ 1.3 million. These transfers were within the approved amounts, as authorized by the Finance Committee at its Session in September 2005. The final unused arrears balance, under Resolution 6/2001, of US\$ 10.1 million was transferred to the Capital Expenditure Facility.

The Committee congratulated the Secretariat on its sound management of the 2004-05 Regular Programme performance and endorsed the Report for transmission to Council. The Council is asked to note that the Director-General managed the Regular Programme appropriations in accordance with the financial regulations and further, that the transfers between budgetary chapters fell within the levels previously approved by the Finance Committee. Details of the Committees deliberations on this item are recorded in document CL 131/9, paragraphs 4 to10.

We will now come to some of the other matters which arise out of the reports of the Finance Committee.

One of these matters is access by Members to Reports of the Office of the Inspector General. The Committee recommended to the Council that final audit Reports be made available to Member Nations on request, subject to such views as the Committee on Constitutional and Legal Matters might provide. The Council will consider its decision on this matter under item 14, the Report of the Eightieth Session of CCLM. Details of the Finance Committee's discussion on this issue may be found in CL 131/7, paragraphs 18 to 20.

Another matter pertained to adoption of International Public Sector Accounting Standards (IPSAS). The Committee recognized the importance of the adoption of IPSAS by the Organization, in line with the recommendations by the High Level Committee on Management, of the Chief Executive Board for Coordination and as approved this year by the General Assembly in Resolution 60/283. The Committee confirmed its approval to use the Capital Expenditure Facility for the initial expenditures of the implantation of IPSAS during the 2006-07 biennium, estimated at US\$410 thousand. A firm estimate of the project implementation costs for FAO in 2008-09 was under development at this stage. It will be coming for review at the Committee's next Session.

The Finance Committee has endorsed the adoption of IPSAS by the Organization and transmitted this recommendation through the Council to the Conference. Details of the Committee's discussions on this issue can be found in CL 131/7, paragraphs 33 to 36 and CL 131/9, paragraphs 46 to 50.

On the General Service Salary Survey and the resulting increases in salaries, the Committee reviewed the findings of the International Council for Civil Servants – regarding the outcome of the General Service Salary Survey, carried out in Rome in November 2005 – and endorsed the relevant ICSC recommendations for transmittal to the Council for approval. The recommendation to Council on the funding of the resulting salary increase has been submitted by the Joint Meeting and covered under item 6 of the Council agenda. With regard to that recommendation, replenishment of the Special Reserve Account with an amount equal to the charge is stressed as an essential action as the balance is currently nil, due to extent of the external borrowing. Further details on this matter appear in document CL 131/7, paragraphs 42 and 43 and 59 to 62.

The Committee also discussed a Report on Support Costs Expenditure and Recoveries. The Committee noted the Secretariat's review of the cost recovery rate for projects in direct support of Regular Programme normative work and endorsed an increase in project servicing costs rate for such projects from six percent to 13 percent. This item is brought to the attention of Council for decision. Details of the deliberations on this matter are in document CL 131/7, paragraphs 49 to 52 and CL 131/9 paragraph 54.

In conclusion, overall, the Sessions of the Finance Committee were very productive and, in particular, I believe that it was possible to address a number of important financial and budgetary issues facing the Organization.

On behalf of the Members of the Committee, I would like to extend our appreciation to the Secretariat for its assistance in our deliberations and our gratitude to Member Nations of FAO for providing us this opportunity to further the important work of the Organization.

I would be pleased to provide any further explanations that you may wish to have regarding the Reports.

#### **CHAIRMAN**

Thank you for your exhaustive Report.

We have received some information that there is another meeting in the Iran Room and they wanted us to break our meeting right now and for those of us who want to go to the Iran Room, the Assistant Secretary-General will announce the occasion.

We will continue our debate on this item this afternoon, starting immediately at 14:30 hours this afternoon.

#### **ASSISTANT SECRETAIRE GENERAL**

Pour rappeler aux honorables délégués qu'il y a une réunion d'information sur la coopération entre l'Espagne et la FAO qui doit se tenir maintenant, à la salle de l'Iran en présence du Sous-secrétaire espagnol chargé de l'agriculture, des pêches et de l'alimentation ainsi que du Directeur général de la FAO.

**CHAIRMAN**

Thank you very much and see you at 14:30 this afternoon.

*The meeting rose at 12.10 hours*

*La séance est levée à 12 h 10*

*Se levanta la sesión a las 12.10 horas*



# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**FOURTH PLENARY MEETING  
QUATRIÈME SÉANCE PLÉNIÈRE  
QUARTA SESIÓN PLENARIA**

**21 November 2006**

### **III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS (continued)**

### **III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION (suite)**

### **III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS (continuación)**

**8. Reports of the Hundred and Twelfth (February 2006), Hundred and Thirteenth (Rome, May 2006), Hundred and Fourteenth (June 2006), Hundred and Fifteenth (September 2006) and Hundred and Sixteenth (October 2006) Sessions of the Finance Committee (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19) (continued)**

**8. Rapports des cent douzième, cent treizième, cent quatorzième, cent quinzième et cent seizième sessions (Rome, février, mai, juin, septembre et octobre 2006) du Comité financier (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19) (suite)**

**8. Informes de los períodos de sesiones 112º (febrero de 2006), 113º (mayo de 2006), 114º (junio de 2006), 115º (septiembre de 2006) y 116º (octubre de 2006) del Comité de Finanzas (CL 131/8; CL 131/9; CL 131/10; CL 131/7; CL 131/19) (continuación)**

*8.1 FAO Audited Accounts 2004-2005 (C 2007/5 A; C 2007/5 B)*

*8.1 Comptes vérifiés de la FAO 2004-2005 (C 2007/5 A; C 2007/5 B)*

*8.1 Cuentas comprobadas de la FAO correspondientes a 2004-05  
(C 2007/5 A; C 2007/5 B)*

*8.2 Measures to Improve the Organization's Cash Shortage Situation*

*8.2 Mesures visant à combler le déficit de trésorerie de l'Organisation*

*8.2 Medidas para aliviar las dificultades de la Organización en cuanto a disponibilidad de liquidez*

*8.3 Status of Contributions 2006 (CL 131/LIM/1)*

*8.3 Situation en ce qui concerne les contributions 2006 (CL 131/LIM/1)*

*8.3 Estado de las cuotas de 2006 (CL 131/LIM/1)*

*8.4 Budgetary Performance 2004-2005*

*8.4 Exécution du budget 2004-2005*

*8.4 Ejecución del presupuesto en 2004-05*

*8.5 Other Matters Arising out of the Reports*

*8.5 Autres questions découlant des rapports*

*8.5 Otros asuntos planteados en los informes*

### **CHAIRMAN**

Item 8 and the Chairperson of the Finance Committee introduced the item this morning and I would like to open the floor for your comments and questions, if any, but before that, once again I would like to remind you that we are not touching in this Item, the Implementation of Conference Decisions and Proposals from the Director-General, which we will speak about it in the next Item. We also do not speak about the Programme Implementation Report which we will be discussing it tomorrow and we will not talk about the revised Plan of Work and Budget as they were already discussed under other Items this morning. The floor is open for your intervention.

We are happy that we have the Director-General with us this afternoon and I will start with the Distinguished Minister of United Arab Emirates.

**Mohammed Saeed AL KINDi (United Arab Emirates) (Original language Arabic)**

Since I am taking the floor for the first time in this session of the Council, I should like to express my pleasure to see you chair the Council of FAO and we are fully confident that thanks to your able leadership, the Council will be able to reach positive decisions that would promote the role of the Organization. Increase agriculture production and secure food security for the world at large. I should also like to congratulate the Vice-Chairman.

My delegation has studied the documents submitted by the Secretariat for this Hundred and Thirty-first Session of the Council, particularly the document related to State of Food and Agriculture on World Food Security in addition to the document concerning ICARRD, the Conference that was held in Brazil. We have also studied the Reports of the Finance and Programme Committees and we would like to seize the opportunity to praise the Secretariat for preparing these sound documents. This indeed, bears witness to the interest attached by this Organization to the world agricultural situation, particularly in developing countries, its keen interest in promoting the situation of small farmers. We have also listened with great deal of interest to the various comments by the Members of the Council. This was a genuine reflection of the interest of countries to promote their agricultural development and the assistance granted by the Organization to these countries.

Yesterday, the Director-General, referred to the difficult situation facing a number of developing countries namely those that suffer from lack of food security, the lack of progress in achieving the Millennium Development Goals and World Food Summit Goals which committed the countries to halve the number of hungry people by half by the year 2015. He also referred to the difficult financial situation of the Organization. We believe that this situation gives rise of a great deal of concern and pain to the countries in the world that suffer from food insecurity and poverty. We do believe that this Organization is capable of achieving its proper elimination of hunger and poverty, if it is given the financial means and the necessary support to do this.

The United Arab Emirates is making every effort in order to mitigate and alleviate the sufferings of many countries through the Red Crescent and other charitable organizations. We are giving assistance to developing countries through financial and in kind support, particularly, in order to help countries in times of famine, conflict, armed conflicts and wars. We do support a number of developmental programmes implemented in developing countries. Furthermore, we encourage the private sector to invest in agriculture and enter joint ventures in many countries of the world.

At the national level, the United Arab Emirates, thanks to our wise leadership, has made tremendous progress in the field of agriculture and environment. In the field of combating desertification, we were able to expand the green areas and indeed, is covering the whole of our country. We have also set up an environmental reserves in order to protect rare species in terms of fauna, flora and fish. We ban the cutting of forests and the pollution of our seas. We have adhered to all international conventions and agreements which aim at protecting the environment. We have relied on the support of this Organization to increase our technical capabilities. We have undertaken a number of training courses and extension services, in order to promote the knowledge of fishermen and farmers to increase their income. Within the framework of our efforts to promote the protection of the environment, we as a government, we encourage organic farming and we are giving them incentives to do so.

My country is making every effort to protect our animal resources from the various pests and diseases. We have set up a High Level Committee in order to combat the Avian Influenza. We have set up a plan in order to raise the awareness against the spread of this disease. We have organized training courses in order to get ready in case an emergency faces us. We should like to thank, in this connection, FAO for its assistance to us.

I should like to express my gratitude to FAO for all the help extended to us and the guidance of the Director-General. FAO has given us every support particularly in the field of agriculture. We do support the reforms proposed by the Director-General and we believe that these reforms will

undoubtedly cut the expenses of the Organization and raise its efficiency. We should like to join those who have made an appeal for other countries to pay their contribution in time, so that the financial burden on the shoulders of this Organization, becomes lighter and finds itself in a position where it can undertake its core activities to help countries with problems in the field of agriculture, food and nutrition. I believe that the least Member Nations could do is to pay their contributions in time.

**Patrick PRUVOT (France)**

Je vous prierais de bien vouloir donner la parole à la délégation de la Finlande qui s'exprimera au nom de l'Union européenne.

**Ms Heidi PIHLATIE (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States, the acceding countries, Bulgaria and Romania and the candidate country to the EU, Turkey associate themselves with this statement.

The European Union would like to thank the Finance Committee for its informative and useful Reports. We note with satisfaction that the External Auditor has issued an unqualified opinion of the audited accounts for the biennium 2004-05. We endorse at the Committee's recommendation that the Council submit the audited accounts to the Conference for adoption in the 2007 meeting. We also echo the Committee's call on the Secretariat to provide further information on how the External Auditor's recommendations will be implemented. The EU can also endorse the Committee's recommendations recording funding of the General Service Salary Increase in 2006-07 and the increase in project servicing cost rate for project in direct support to the Regular Programme from six percent to 13 percent.

The EU shares the Committee's grave concern over the worsening financial situation and structural deficit of FAO budget. A continuous increase of the general fund deficit and the lack of reserves are the most worrying aspects. Despite the nominal increase of 2004-05 biennium, the FAO budget has witnessed a real reduction of 11.6 percent over the last two biennium. While the recognizing the present challenging budgetary environment, we also note that the implementation of the 2006-07 Regular Programme will be affected by unbudgeted costs tentatively estimated at US\$ 27 million. The European Union is concerned over this unbudgeted costs and unfunded or unrecorded liabilities and request the Secretariat to provide further information on how this expenses have incurred and how it plans to address this issue. In addressing to difficult financial situation, the FAO Secretariat should also improve the dialogue to sensitize all concerned countries and facilitate the solution of the present liquidity crisis.

Since the past several years, a significant factor behind the Organization's liquidity crisis is the late and non-payment of assessed contributions by Member States. According to the Report of the Hundred and Fifteenth Session of the Finance Committee, only some 39 percent of amounts due had been received by 21<sup>st</sup> September 2006. In order to cover for the deficit as all reserves are exhausted, FAO has been borrowing for almost eight months this year, compared to five months in 2005. This will cost the Organization an estimated US\$1 million as cumulative interest costs will be taken away from FAO's normative work. To complete the picture, we also note that the Organization will be facing substantial unrecorded and unbudgeted staff related liabilities in the future.

The EU joins the Finance Committee in requesting that the Secretariat develop a projected cash flow analysis presenting all financial demands on the budget sources and of financing during the remainder of the biennium. This forms the basis for a careful analysis of programme spending and implications on liquidity required levels of reserves. Based on this, the Secretariat should submit a financial proposal within the Summary of Programme of Work and Budget 2008-09 aimed at restoring the financial health and long-term sustainability of the Organization.

In the meantime we strongly urge all Member States to pay their contributions on time. It is unacceptable that there are sources from Member States that have paid their assessments on

schedule, have to be used to finance additional costs incurred due to the non-payment by other Member States. It is also unacceptable that the scarce financial resources that could be used to the benefit of this Organization and its Membership are now needlessly spent on interest costs.

Furthermore, we welcome the Financial Committee's deliberations during its Hundred and Thirteenth and Hundred and Fifteenth Sessions regarding measures to improve the Organization's cash flow situation. We call on the Membership to agree on further measures including a tightening of sanctions against those that are paying late by the Council's session in June 2007.

We also join the Finance Committee in stressing the necessity of achieving further cost savings and emphasis against administrative and financial transactions processing sanctions. In this regard, we encourage the Secretariat to identify and pursue practical ways and areas for the Rome based UN Organizations, to work closer together.

**Lee BRUDVIG (United States of America)**

The United States sits on the Finance Committee and has participated actively in the Committee's discussions. The Committee's Reports adequately capture the substance and the tone of those discussions, and they deserve close reading by all Members. For today's Council Sessions we would like to highlight three key issues:

One, the financial health of the Organization, two, the working Capital Fund and Special Reserve Account; and three, the costs of implementing the Reform Proposals.

First, the financial health of the Organization FAO is facing a serious financial crisis. The external auditor stated in his Report to the Finance Committee that the financial position of the Organization sharply deteriorated during the biennium 2004-05 and that in the first quarter of 2006, the fundamentals of the financial position of the Organization continue to be very weak.

In a nutshell during the 2004-05, FAO spent US\$ 85 million more than it received in income. The deterioration in the previous biennium may have represented mainly a liquidity crisis caused by arrears of contributions and a worsening trend of late payments, but now we appear to be in a situation of a long-term budget imbalance as evidenced very clearly by the depletion of reserves.

FAO has not operated within the budget level approved by the Conference and has increasingly relied on external borrowing to keep pace with its expenditures. It is projected that the Organization has US\$ 27 million in unbudgeted costs for the current biennium. This is unsustainable and unprecedented. Agencies other than FAO also face budgetary restrictions and have Members with their own payment constraints, but in recent years no other Specialized UN Agency has so consistently overspent its budget and resorted to external borrowing.

The Finance Committee requested that the Secretariat prepare a proposal aimed at restoring the financial health and long-term sustainability of the Organization. The United States strongly supports this request. We understand that this plan will be ready next year and also recommend that further decentralization be delayed until after the plan is available.

The current deficit means that every additional dollar we spend must come out of the approved Programme of Work and Budget and we need to make sure we know exactly what we are giving up today in exchange for benefits that reform may deliver in the future. FAO needs to provide a clear financial plan that demonstrates its ability and intention to manage its recourses within the budget as approved by Member Nations.

The United States also supports the external auditor's detailed recommendations and looks forward to the Secretariat's response to them.

Second. The Working Capital Fund and Special Reserve Account. The Finance Committee considered whether to increase the levels of the Working Capital Fund and the special Reserve Account. The United States does not support such measures because we do not see them as leading to a permanent solution to FAO's financial health.

The Finance Committee agreed that a contribution from the Russian Federation for the current biennium would be treated as Miscellaneous Income and used to partially offset the unbudgeted General Service Salary Increase. The United States supports this decision on a one-time exceptional basis.

However, we do not support the recommendation that the Special Reserve Account be used to cover the remaining US\$ 6.4 million for the salary increase. Nor do we support a special assessment in the 2008-09 Programme of Work and Budget to replenish that amount to the Special Reserve Account. The Special Reserve Account is intended primarily to manage the foreign exchange fluctuations related to Split Euro/Dollar Assessments. It would be irresponsible to use it whenever there is a cash shortage, and especially for costs that will recur into the next biennium.

While refraining from commenting on the substance of merits of further reforms, I would like to comment very briefly on the costs of implementing the reform proposals.

In light of the serious financial situation facing FAO, we must ask ourselves whether the benefits of further decentralization are so valuable that they justify the deep cuts in other, existing programmes that would be required to pay for them, since most of the costs associated with approved decentralization have not been met by voluntary contributions. Over US\$ 11 million of reforms already approved remain unbudgeted. Further decentralization proposed but not approved would add an additional US\$ 1.5 million to this unbudgeted cost during the current biennium. In total, this would mean that US\$ 13.5 million of the US\$ 15 million total estimated costs of implementation of reforms would have to come from internal sources. It is important to note that most of the costs of reforms will be incurred up front, while the anticipated but unclearly defined benefits would be realized much later. These facts argue for extreme caution in moving forward with further decentralization, on financial grounds alone, whatever the substantive merits or drawbacks of these proposals may be.

In conclusion, the United States believes that the FAO needs to give priority attention to getting its financial situation in order. This will require a willingness to manage expenses within available resources, a commitment to transparency and clarity in budget documents, a realistic approach to new reforms and proposals and a search for balanced long-term sustainable solutions.

For our part as a Member and contributor, we stand ready to engage constructively with other Members and the Secretariat to work towards restoring FAO's financial health.

**Paul MURPHY (Canada)**

We thank the Finance Committee for their Reports and the Chairperson of the Finance Committee for his summary of those Reports.

My delegation wishes to comment on two aspects of those Reports. First with respect to the incentive scheme for early payment. Canada is concerned with the Finance Committee's decision to support a zero rate for the incentive scheme for early payment. Given the FAO's current financial situation and liquidity problems, FAO should set a discount rate for the incentive scheme at a level that will encourage payment in full and on time. Obviously, a zero discount rate provides no incentive for early payment.

Second, on the audited accounts, Canada too is concerned with the financial situation of FAO as outlined in the external audit. We encourage FAO to implement the recommendation of the External Auditor. We particularly note recommendation 5 which calls for future payments of arrears to be used to cover past budget expenditures and not treated as new income.

**Seiichi YOKOI (Japan)**

Thank you again Mr Khawaja for the concise Report.

Japan would like to make comments on several points introduced by the Independent Chair and Chairperson of the Finance Committee.

First, FAO Audited Accounts. According to the statement II, Assets, Liabilities, Reserves and Fund Balances of C 2007/5A, the total assets of FAO is US\$750 million while the total liabilities is US\$ 854 million at the end of the last biennium. The resulting balance, or total capital, is minus US\$ 104 million.

Such situation that the total capital becomes minus means bankruptcy if the Organization was a private company. Japan insists that both Member Nations and the Secretariat should make every effort to improve such a serious financial situation, through a reduction of future budget level and the payment or collection of accumulated arrears from Member Nations.

Further, Japan fully supports the recommendations by the External Auditor presented in C 2007/5 B, in particular, recommendation four: development of contingency plan to regulate programme delivery in the case of serious cash crisis.

Recommendation five: use of arrears payment to cover past budget expenditures, and not consider the arrears as a new source of funds.

Recommendation six: aligning disbursement of appropriations of a Technical Cooperation Programme with receipt of contributions.

Japan requests the Secretariat to implement the necessary measures immediately in response to those recommendations and report the measures taken in the next session of the Finance Committee and the Council.

As for measures to improve the Organization's cash shortage situation. Japan, the second largest contributor to FAO, is strongly interested in the efficient and effective management of FAO. From this point of view, Japan is concerned with the deteriorating financial condition of FAO.

Japan developed a set of proposals for the improvement of the financial condition of FAO which includes:

One, submission of an instalment plan for Member Nations in arrears; two, involvement of the Finance Committee and Council in external borrowing; and three, Guidelines for Voluntary Contributions.

In the Hundred and Thirteenth Session of the Finance Committee, Japan explained the details of the above mentioned proposals and in the Hundred and Fifteenth Session of the Finance Committee, the Committee discussed various measures to improve the Organization's cash shortage situation including Japan's proposals.

Although many Members supported Japan's proposals, the Committee postponed its conclusions until the next meeting in May 2007 taking into consideration the process of consultations in the Regional Groups. Japan expects the Regional Groups promote its consultation on Japan's proposals and other measures and, if required, Japan is prepared to provide necessary assistance to any Regional Group including the explanation of the details of the proposals.

Further, regarding the level of Working Capital Fund, Japan opposes obligatory contribution by Member Nations to working capital fund, given the large amount of arrears, the Secretariat should collect accumulated arrears from Member Nations in arrears before asking all the Member Nations to contribute to the Working Capital Fund. Japan has no intention to contribute to the fund at this moment.

Finally, Japan supports zero discount rate for the incentive scheme. Next, I would like to comment on the state of contribution of Japan this year.

Japan is strongly concerned about the deteriorating financial condition of FAO. According to the Secretariat and the document circulated today, there are 60 Member Nations in arrears and the total amount of those arrears is as much as around US\$ 50 million as of 17 November 2006. Therefore, Japan, as the second largest contributor to FAO, is still dissatisfied with the financial situation of FAO. On the other hand, we have to recognize that external borrowing which amounts to US\$ 104 million in the beginning of November would incur the payment of interests

and the worsening of the financial condition of FAO. According to the paragraph 7 of CL 131/7, cumulative interest costs to which it stood at almost US\$ 700 000 was expected to exceed US\$1 million by the end of this year. Therefore, taking into consideration further deterioration of the financial condition, Japan paid last week equivalent of around US\$40 million, or the half of its assessment for this year.

Japan strongly expects that Member Nations in arrears should make their payment immediately and the Secretariat will take the necessary measures to improve the financial condition of FAO.

As for the budgetary performance for 2004-05, Japan noted the full utilization of budget resources in the biennium 2004-2005. It is drawn to your attention that this expenditure is closely related to the large amount of external borrowing, both in the year 2004 and 2005 since the budgetary resources were not fully provided by the Member Nations, which benefited from the services given out by the Organization. It is thus emphasized that in order to continue full utilization of budgetary resources for this biennium, it is required that all Member Nations in arrears make full payment of their arrears.

Finally, Japan joins other speakers to support the Finance Committee's request that the Secretariat prepares a proposal aimed at restoring the financial health and long term stability.

I would like to thank Mr Juneja for the detailed explanation he gave before lunch regarding the unbudgeted costs. He confessed that the budget estimation was always inaccurate. Japan would like to ask the Secretariat to prepare the PWB in a more reliable way in future. Japan looks forward to receiving a detailed report on the reallocation of the budget at the next Session of the Finance Committee.

**Moungui MÉDI (Cameroon)**

I associate myself with those who spoke before me to thank my dear friend, AAmir, for a conclusive report that he delivered before we broke for lunch.

The comments made by the Finance Committee on the Annual Report on budgetary performance and programme and budgeted this far in the 2004-05 are positive and I think we would like to commend Management for such a performance, we therefore endorse those comments and urge the Council to adopt the Report of the Finance Committee.

Let me come back to some salient issues that emerge from the Report. As per the financial highlight and status of current assessment of arrears, we continue to remain very concerned about the level of arrears, level of arrears does stress the financial situation of the Organization, and constrains it to borrow at the normal financial market in order to cope with its obligations, this is a very sad situation. Permit me, nevertheless, to recognize and applaud the high level of TCP delivery during this biennium. Indeed, we need more TCPs especially those that have knowledge sharing and promote pilot operation that could be replicated and scaled up, but also, that help the poorer in their endeavours. The Telefood projects being amongst those.

We share the concern of the Committee for the use as advanced, though fully endorsed of the working capital fund and the Special Reserve Account in the General Fund. For six months, the Organization has operated without the Special Reserve Account and the Working Capital Fund from August to February, how could the Organization have reacted in the event of occurrences of situation for which those two accounts were earmarked, meaning probably the most exceptional cases of financial constraints due to foreign exchange imbalances.

In general, and with respect to the liquidity situation of the Organization, it is important that Members engage in an open and full debate on this issue because it is becoming structural. We feel that the Finance Committee has completely fulfilled its mandate by exploring possible ways of solving the problem, but it is still not solved and, with the persistence of the situation, a more inclusive debate seems therefore unavoidable. The matter shall therefore be discussed as a full item at the next Conference in 2007. We would like it to be put on the agenda of the next Conference, the Secretariat can prepare a discussion paper to that effect, and I heard what Japan said, there are some elements that could be used to that effect in that paper.



We were informed also that one of the proposed measures to improve the Organization's cash shortage is to increase the level of WCF, so that in case of persistent financial crisis due to accumulated arrears, the Organization can revert to it instead of borrowing in the financial market. This could be a solution that deserves more thought on the basis of solid argumentation. We are ready to examine this with other Members and ready also to examine it together with factual proposals that may be made so as to decide in an informed manner. The proposals shall dwell on incentives for example for early payment and penalties for late payment as well as it is proposed in the Report, the development of financial fund.

**Ms A.I. PEPPLÉ (Nigeria)**

I would like to join previous speakers to commend Mr AAmir for a very detailed Report which he presented before the lunch break.

My delegation recognizes that the context in which the PWB for 2006-07 was prepared has been a difficult and rather complex one. Some of us have had considerable difficulty understanding the flow of resources and programmatic activities for the current biennium, when matched against the approved programme for the previous biennium due to the reformulation, consolidation and reconfiguration of the new programme structure.

We commend the Secretariat and the Programme and Finance Committees for taking us through this complex process to where we are today.

We note also that the revised PWB has been approved by the Programme and Finance Committees in line with Conference decision and directive . At this stage, my delegation will want to give its broad endorsement of the document while noting, in particular, the following: that the budget level of US\$ 761 million approved by Conference translates to a 5.2 percent reduction in real terms, when compared with the 2004-05 budget level; that the Secretariat has continued to make commendable efforts at cost savings through efficiency gains and that in further pursuit of this, the external cost recovery rate in support of regular programme normative work has been raised from 6 percent to 13 percent, in line with the practice in the UN and other Specialized Agencies; that the key elements of the programme of work which are of high priority to Members have been retained even in the face of the reduced budgets.

My delegation further welcomes the recommendations requiring the Secretariat to develop a projected cash flow analysis covering all financial demands on the budget and sources of financing during the rest of the current biennium in order to provide some guidance to the Governing Bodies for careful analysis of programme expenditure and implications on liquidity and required levels of reserves.

We also wish to conclude our intervention by reiterating yet again the need for a core budget level which, if not sufficient, will at least be adequate to enable FAO to discharge its critical mandate. In this connection, my delegation looks forward to the Secretariat continuing with its effort to collect further replies to the survey on the reasons for non-payment of contributions and a clear analysis of the same at the next regular Session of Council.

Finally, I have noted the outstanding arrears indicated against my country, and wish to inform Council that the cheque for the full payment of the dollar component is with our Central Bank for remittance. In addition, arrangements are in progress to ensure full payments of the Euro component before the end of this year.

**Ibrahim Bocar DAGA (Mali)**

Effectivement, ce point de l'ordre du jour est d'une importance telle qu'il faut que l'on s'entende et que l'on se comprenne. Nous avons eu effectivement pas mal de bonnes nouvelles aujourd'hui, beaucoup de pays ont déclaré avoir payé tout ou partie de leur contribution, mais nous entendons aussi depuis hier des volontés de refus de tout, non à tout, sans faire de propositions pour sortir de la situation. La situation est précise, nous avons tous félicité le Comité pour le travail qui a été fait pour les rapports. Nous nous sommes réjouis de voir que même les auditeurs reconnaissent qu'il n'y a pas un problème de gestions, des ressources mises à la disposition de la FAO, il y a

simplement que nous sommes butés à une réalité, nous demandons à la FAO de faire ce que les moyens mis à sa disposition ne lui permettent pas de faire. D'où les réaménagements, les réajustements de programme, mais je crois que c'est en honneur de la direction effectivement de faire avec. On ne peut pas après une telle situation toujours demander de faire des comités, des études supplémentaires, j'avoue que les explications données par le Secrétariat en fin de matinée nous ont paru très claires, très explicites pour encore en demander. Mais bien sûr, heureusement d'ailleurs, que les Comités nous ont dit ici que le Secrétariat méritait d'être félicité pour la promptitude avec laquelle à chaque demande il réagissait. Donc, une fois de plus c'est certain que les papiers demandés par les uns et les autres seront disponibles. Mais en ce qui concerne les contributions nous l'avons dit tantôt c'est important, en septembre, c'est-à-dire au neuvième mois de l'année, l'Organisation a bénéficié de trente pour cent des contributions. Imaginez un être humain qui pendant l'année, parce qu'il ne reste qu'un trimestre, vit les trois quarts de l'année avec trente-neuf pour cent de ce qu'il lui faut pour vivre correctement, décemment. Ça s'appelle simplement une condamnation à mort qui ne dit pas son nom. Alors, si on veut parler des contributions dues, les chiffres sont éloquentes. Nous avons l'Amérique du nord qui totalise 36,45 pour cent en dollars; 33,28 pour cent en Euro; l'Europe totalise en contributions dues 16,92 pour cent en dollars, 16,66 pour cent en Euro; l'Amérique latine et les Caraïbes totalisent 23,08 pour cent en dollars, 20,61 pour cent en Euro; l'Asie 14,90 pour cent en dollars, 26,38 pour cent en Euro; le Proche-Orient 7,14 pour cent en dollars, 2,60 pour cent en Euro; l'Afrique 1,47 pour cent en dollars, 0,42 pour cent en Euro; le Pacifique sud-est 0,5 pour cent en Euro, 0,6 pour cent en dollars.

Qu'est-ce à dire? En parlant du Groupe africain et au nom des pays africains je peux dire haut et fort que nous ne sommes pas fiers d'avoir ces arriérés même si finalement ces contributions ne représentent que 1,47 pour cent ou 0,42 pour cent en Euro. Donc, regardons là où le bas blesse. Nous l'avons chaque fois dit, aucun pays ne peut avoir d'excuse pour ne pas remplir ses obligations vis-à-vis de l'Organisation, pas plus un petit pays aux confins de l'Afrique qu'une nation fût-elle la plus puissante du monde. Donc, nous avons simplement un problème, je crois, de volonté politique dans cette maison. Il faut qu'on ait le courage de se le dire. Nous voulons la FAO ou nous n'en voulons pas? Je sais que la majorité en veut. La FAO joue un rôle vital pour l'humanité. Donc, s'il faut encore se mettre en groupes de travail à travers les différents groupes vraiment pour échanger, se parler en amis, parce que nous ne saurons être des ennemis, dossiers sur table, pour trouver une solution à la maison parce que c'est de ça qu'il s'agit. Nous avons l'obligation de trouver des solutions à ces problèmes. Comment pouvons-nous nous contenter de faire le constat, effectivement tout le monde constate que ça ne va pas et qu'on nous dit de faire encore des études avant qu'on ne paye ou bien même sans jamais avoir mis en cause la bonne foi des responsables de la FAO.

Toujours en se félicitant du travail qui est fait. Alors il y a une contradiction quelque part. Il y a des non dits quelque part. De grâce, il faut qu'on se ressaisisse, parce qu'on ne peut pas comprendre que nous ayons une Organisation qui ne peut fonctionner sans le sou et qui plus est, on a même le toupet de lui reprocher de s'endetter. On voudrait que la direction mette la clé sous le paillason? Mais écoutez quand même! Nous avons dit que la gestion de la FAO est une gestion partagée. Pour nous, nos Directeurs adjoints, nos Directeurs, même le petit personnel, c'est tout le monde qui est responsable au niveau de cette maison. On ne peut pas être là dedans et se sentir dehors. Donc, il faudrait que nous soyons suffisamment responsables. Vraiment que nous pensions à l'objectif final de la FAO, qui est d'une importance capitale, il s'agit de nourrir des gens. C'est vrai que le monde est partagé aujourd'hui entre ceux qui en ont trop et ceux qui n'en ont pas du tout. C'est pourquoi j'ai dit hier qu'il faut faire attention, nous allons pousser ainsi à l'émergence de crises et de catastrophes qu'on peut éviter. Il va de soi que si les africains, qui sont des paysans par essence, n'ont pas les moyens de travailler leur terre, surtout maintenant avec tout ce que nous avons comme moyens audio-visuels, par hasard, ils voient qu'on jette du lait en Europe, qu'on jette de la viande par ci, par là, qu'on brûle des poulets, mais ils vont crier à l'abondance! Et ça c'est une autre crise à laquelle l'occident doit s'attendre si on ne prend pas les mesures qu'il faut, c'est certain que ces populations là, si elles ont de quoi travailler leurs terres, elles resteront fixées sur leurs terres et elles travailleront et elles produiront pour l'humanité

entière. À l'heure que nous prions encore, une fois de plus les uns et les autres, de savoir si on a raison de garder et que nous puissions sauver l'Organisation.

Je voudrais dire un petit mot par rapport aux projets, aux propositions des réformes. Je ne veux pas revenir sur tout ce que nous avons eu.

Ah, excusez-moi parce qu'il y a des orateurs qui ont parlé de la décentralisation, si vous voulez qu'en on parle après, on en parlera après, mais je voudrais simplement rappeler quand même que la décentralisation a été approuvée par nous-mêmes ici souverainement à moins que nous revenions sur ce que nous avons décidé, franchement, donnons les moyens au Secrétariat de la mettre en œuvre, on ne peut pas l'avoir approuvée et puis maintenant revenir là-dessus, ça ne fait pas responsable. Mais, à propos des réformes à venir, naturellement nous aurons notre mot à dire avec votre permission.

**WANG JINBIAO (China) (Original language Chinese)**

The Chinese delegation is very pleased to inform all of you that as one of the bigger contribution countries of FAO it has already paid its contribution for the year 2006. Within the document CL 131/LIM/1 Annex B by the Secretariat due to the reasons of the exchange rate we still have the amount of €151 883.67 in arrears. We have already transferred this amount to the FAO account yesterday.

The Chinese delegation has expressed its great concern on the financial crisis faced by FAO. The great amount of borrowing to maintain its operations has not only damaged FAO's ability to maintain its mandate but also offset the efforts in reform aiming at cost efficiency. We also noted that the Secretariat submitted the measures to improve the Organization's cash strategic situation at the Hundred and Fifteenth Session of the Finance Committee in September 2006 and proposed to increase the working capital level from US\$ 25 million to US\$ 75 million. We welcome this proposed measure to improve this Organization's cash situation. However, we should also be aware that the root causes for FAO's current financial difficulties are that some Member Nations have delayed their payment or are in arrears with their contributions. It is not simply the insufficient amount of the working capital level and therefore to increase the working capital level cannot address its root causes; only by assuming their obligations, paying their contributions in time and arrears at an early date can we address the financial problems at its roots. We, therefore, hope that the Secretariat will study some measures to encourage its Member Nations to pay their contribution on time.

At the same time, the Chinese delegation appeals that we should make joint efforts in order to relieve FAO's financial crisis.

**Ms Ligia Maria SCHERER (Brazil)**

Brazil, as one of FAO's fifteen main contributors, a group responsible for about 85 percent of the Regular Budget understands its responsibility towards the financial health of the Organization.

While recognizing the importance of all Members to pay their arrears and provide their contribution in due time, we believe that payment delays of the main contributors are often more harmful than an accumulation of arrears of smaller contributors. We are doing our part; in 2006 Brazil has paid over US\$ 27 million in arrears and towards our 2006 contribution. This is the same year that we helped FAO organize the ICARRD, whose final budget was close to Brazil's annual contribution to the Organization.

**CHANG-HYUN KIM (Republic of Korea)**

The Korean delegation would like to note that the Secretariat should make an effort to collect contributions and resolve the arrears of Member Nations. The contribution of each Member are an important financial resource for FAO. Yet, the continued increase of arrears is the primary factor for further deterioration of FAO's financial situation.

I would like to emphasize that the Secretariat should exert efforts to collect contributions in various ways such as encouraging Members to pay their contribution early, recommending major

countries with arrears, to pay their arrears, and seeking special measures for countries who are in arrears for a long time.

I would also like to refer to equitable geographic distribution. The Korean Delegation would like to draw your attention to the necessity of achieving equitable geographic distribution in employment of FAO staff. I would like to emphasize that FAO, like United Nation Agencies, should be properly represented with geographic distribution to get the harmony of the various perspectives and the culture as a global society.

Korea would like to express its appreciation to FAO for showing efforts to get equitable geographic distribution by dispatching the recruitment mission and disseminating more widely its Vacancy Announcements.

Despite that, the Secretariat's endeavours for geographic distribution do not have any positive results. Most Asian countries are still severely under-represented, although we are faithfully fulfilling our duties as Members, such as paying contributions without any arrears and expanding the Cooperation Projects to be pursued for the Millennium Development Goals.

In this regard, the Korean Delegation strongly urges that the Secretariat needs to make further efforts to resolve the imbalance of equitable geographic distribution.

#### **CHAIRMAN**

Is there any other request for the floor from the Council Members or should I go to the observers?

Now I invite the distinguished representative of Zimbabwe to take the floor please.

#### **Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

First of all I would like to acknowledge the Report that has been tabled by the Chair of the Finance Committee and associate myself with that Report.

My delegation recognizes the concerns raised by the previous speakers on the need to fully address the liquidity situation in FAO. In the same vein, we recognize the role that each one of us must play. To this end, we wish to commend the Members who have informed us, through the various statements this morning, that they have paid up their contributions or are in the process of doing so. We can only urge those that have not yet done so to face up to their responsibility. In this, we share the concern that have been raised by other members who see this as really choking the operations of the Organization.

The financial situation in FAO will improve only when every Member meets their obligation. There are many commitments that will require our attention, if we look at those unbudgeted costs that we discussed this morning, in particular, we must remember that some of the commitments are on-going. For example, the After Care Medical Service is an on-going commitment that the Organization must brace itself to be handling. The figure will only continue to grow as the actuarial studies bring out more information about the past employees we have hired in this Organization who now require medical care even though they are in retirement.

You will recall that even as we were negotiating the budget in November last year, there were other new cost elements that were being added to the budget of the Organization and that we knew, for example, the security situation was a new agenda item that was coming on board and other new financial management systems that were coming on board. This is despite the budget not having increased an inch. If anything, it was reduced. All these items, when added together, put that undue pressure that we have been discussing this morning. No amount of financial management can wish away such figures.

Recently we received the results of the staff increases, of which US\$ 14 million was required, in line with United Nations staff conditions. Despite the contribution by the Russia Federation delegation, a shortfall of US\$6.5 million still remain, and some of us felt that maybe this should be borne by the Special Reserve Account. You will have heard that some Members of the delegation were not for this position but my delegation and indeed most of the delegates from the

G77 do support the position that this should be met from other safety nets and not be put on the programme budget because this will really sap out the little resources that we have for the budget.

None of these expenses I have been outlining are programme-oriented and so none of them are being used towards increasing food. The core business of this body is to increase food but we in the developing world are bearing the brunt of these late payments or non-payments by some Member Nations.

We strongly urge that the new contributions that have been registered today be channelled to revive or to improve production, which is the core business of FAO. For instance, as I indicated this morning, TCP spending has been reduced to less than half of its original amount. We would like to see that budget line also benefiting from the new resources that have come in, the same applies to other food programmes that were put on hold or were slowing down in implementation because we did not have the resources. We urge all Member Nations to pay their arrears and to ensure that all these programmes that we have put in our budget this year are implemented.

I do share the same concerns with others who said we should implement what is within our budget. Yes, we have the budget and this is the budget that I am saying to work with. There is no point in having a paper budget which we cannot implement in project wise.

We are merely urging our colleagues and ourselves to stick to that budget, otherwise we will not have any measure. If we are going to rewrite that budget as we choose during the course of the year and then at the end of the biennium we point fingers at who has not performed well. My own humble contribution is that we agreed to do the budget as Member Nations after much negotiation. The least we can do is adhere to our commitment.

Further, we would like to see the safety net fully resourced, that is the Special Reserve Account and the Working Capital Fund. Unless these safety nets are operational, whenever there is a slight shortfall of resources the Organization has nothing else to do but to go to the market to borrow money. I think it is more costly to borrow money from the market when we could have our own reserve account. My delegation believes that unless we recognize that we need all of these checks and balances, FAO will continue to run and find finances. If we do respect these financial regulations that apply in all other Agencies, we will begin to see a sound system.

My delegation fully supports the submission that has been tabled by the Secretariat, as contained in the Report that was ably presented by the Chair of the Finance Committee and we will defer the discussion of the other part pertaining to the decentralization for when we get to it.

**Radi Abdulmajeed TARAWNEH (Observer for Jordan) (Original language Arabic)**

I am taking the floor for the first time and on behalf of my delegation I express my respect to you and to the Director-General of FAO. I also congratulate the Vice Chairman of the Council. I also thank all those who submitted the technical Reports and Financial reports yesterday and today.

We in Jordan feel a great deal of pride because of our relationship with this Organization. We do have a number of activities that we undertake in cooperation with FAO, namely combating the Avian Influenza, desert locusts, the exchange of information and the coordination activities. Therefore, we feel pride for this coordination and cooperation.

I will not speak at length but I simply endorse what has been said by my previous colleagues, namely the need for further coordination and cooperation with the three Rome-based Organizations, namely IFAD.

Last but not least, I urge all countries to pay their assessed contributions in time and I promise that my country shall pay its dues in the very near future.

**Saud AL BADAAl (Oman) (Original language Arabic)**

We congratulate you on your able stewardship of the activities of this Council Session. The Sultanate of Oman is a staunch supporter of this FAO under the leadership of the Director-General for the benefits it brings about for the developing countries.

The Sultanate of Oman is fully committed to meet its obligations in time and promptly. We shall make every effort in order to meet our commitments and I urge all countries to follow suit and help the Organization meet its requirements and mandate.

I believe that the sound management of the financial resources of the Organization *sine qua non* for its progress, and I believe that the Member Nations should fully heed the obligations of these countries when they join this Organization as Member Nations. This Organization does need further support in order to prevent any financial crisis and help shoulder responsibilities.

This Organization does embody lofty goals and objectives and therefore we should stand by its side and help it achieve its targets. This, in turn, will help the Organization face up to its challenges and achieve its goals.

**Krassimir KOSTOV (Observer for Bulgaria)**

I would like to express my admiration for the way you are conducting the work of this Council and I wish you success in your further work and to your colleagues.

Everything which Bulgaria had to say on this Item of the agenda was already said by Finland, who spoke also on behalf of my country.

I have two technical questions for clarification concerning document CL 131/LIM/1.

I would like to know what country is under number 4 in the table on page 1 of Appendix C?

As we have heard it already on a number of occasions, has the newest member of FAO made a contribution to the regular budget or not? I do not see anything like that in this document.

**CHAIRMAN**

This brings us to the end of the speakers' list. I now turn to the Chairman of the Finance Committee, if he has any comments or answers to uncertain questions or clarifications.

**Aamir Ashraf KHAWAJA (Chairman, Finance Committee)**

I must thank the distinguished Members of the Council as well as other distinguished Member Nations who have put forward valuable comments on some of the major issues that the Finance Committee has been discussing over the past year or so. I must also thank the Council Members for a broad endorsement of the Finance Committee's recommendations during this period.

I would like to point out that during the course of the proceedings during the past hour, I discerned that the honourable Members have generally brought up four closely related themes that we have been discussing during the course of Finance Committee Meetings. These four themes are one, an adverse liquidity position of FAO.

Secondly, the late payment of assessed contributions by the Member Nations.

Thirdly, the various unbudgeted and unfunded costs within the present biennium.

Fourthly, the reserves of the Organization which tend to help the Organization in meeting either the unbudgeted and unfunded costs or to provide for the necessary respite in case of a late payment of assessed contributions. To me these four interrelated themes clearly come out of our discussions during the Session. I must say that we have no easy solution to either of these issues that have been brought out and I must point out that we certainly should achieve a greater, broad political commitment to FAO. We should commit ourselves to continue to look for solutions now and in the past and I can assure the Members of the Council that the entire Finance Committee is totally committed to the task.

**Khalid MEHBOOB (Assistant Director-General, Administration and Finance Department)**

I will deal with some overall questions, then there are some specific budgetary type questions which Mr Juneja will handle and some details of the finance type of questions which the Director of Finance will take. First of all, I should like to thank all the Members for their comments and interest in the two documents of Finance Committee.

The first question I would like to address is the External Auditor's recommendations. Several Members raised the issue of the implementation of the External Auditor's recommendation. We in FAO give a lot of importance to the recommendations of the External Auditor because they give us an independent view of how the operations have gone during the biennium they are reporting on. For this reason, the Finance Committee several years ago set up a process from monitoring the implementation of the recommendations of the External Auditor. In fact, in the Session following the presentation of this Report, the Organization starts preparing a status report on the implementation of those recommendations. This status Report continues until the Finance Committee is satisfied that the recommendation has been adequately recommended. A new element of this status Report is that at each Session, the External Auditor also comments on the manner in which the recommendations have been implemented. Consequently the Finance Committee not only has the Secretariat's view but also has the independent view of the External Auditor, to see how the recommendations have been implemented during the period. We are already preparing a status Report for presentation to the next Session of the Finance Committee.

Several Members raised concerns about the liquidity problems of the Organization. This is a serious problem as Members have stated and in fact the main reason for this is that contributions do not come in the way the Basic Texts have prescribed. In fact Member Nations are supposed to pay within 30 days of the call letter. But a large number do not follow this time frame or do not pay at all, and in fact that is the reason for the massive arrears. There is also a structural problem in that if for any reason and some large contributors have legislative reasons, for paying towards the end of the year. If some other Member Nation with a large percentage decides to pay in the latter part of the year, you have a ready made case for a financial liquidity problem because the majority of the contributions, will come towards the latter part of the year when they should be coming within 30 days or the beginning of the year. This is the main reason for the liquidity crisis. It is nothing to do with the Organization's budget, the way the Organization's budget has been managed or with external borrowing. The problem lies in the payment of contributions and the Basic Text are pretty clear. Contributions should come in within 30 days of the call letter, and they don't.

In fact the Organization, with the approval of Member Governments has had some measures in place to make Members pay. For example, there has been the incentive scheme for quite some years and there used to be a discount given to Member Nations when they paid on time. Over the years, the Finance Committee realized that this incentive scheme was really no incentive at all because the countries who were collecting the discounts were the countries who were paying on time anyway. So the incentive did not assist other Member Nations joining that group who pay on time. The Organization ended up losing funds rather than getting Members to pay. The Finance Committee in fact, on more than one occasion recommended abolishing this scheme because it was serving no purpose but the approval was not given at the Council. Then the Finance Committee kept the incentive scheme but recommended that there should be a zero discount and the reason being is that the scheme is not functioning as an incentive scheme. The Organization loses funds because only those Members who pay on time get the discount anyway. There also has been a reference to the safety nets of the Organization. The Working Capital Fund and the Special Reserve Account was established many many years ago and its stands at US\$ 25 million. The fact that it was established many years ago means that there is a case for increasing this safety net. Otherwise it would cease to be a safety net because US\$ 25 million established many years ago is not a proper fund for a Working Capital Fund.

On the question of the Special Reserve Account, another safety net, it was established by a Conference Resolution and its use was prescribed by that Resolution for specific purposes. Special Reserve Account, has been used for the purposes prescribed by the Conference. It has been depleted and Members have recognized that the Special Reserve Account has been depleted. But at the same time I heard interventions that a replenishment should not take place or would not be supported. The Secretariat's recommendation is that the Special Reserve Account should be replenished because it was used for the purposes for which the Conference established it and is being depleted. Unless it is replenished, it would not be fair to call it a server safety net, as it

would just a balance in the balance sheet which has been used and it disappears from the balance sheet. That is the purpose of the recommendation of the Secretariat for the replenishment of the Special Reserve Account. Otherwise it and the Working Capital Fund cease to be safety nets. Several Members also made a call for cooperation between the Rome based Agencies for doing certain administrative and financial activities together in the interest of efficiency and savings. We are also under direction to produce a document for the next Session of the Programme and Finance Committee which we will do. We are in discussions with our sister Agencies to see where we could cooperate in an effective manner. We are discussing several IT projects. We are in discussions for having a common tender for travel operations to be able to get volume discounts from the airlines and from hotels so that savings could occur on travel and hotel costs. We are discussing the possibility of having a common switchboard and telephone system. We've already cooperated in contractual issues when it comes to utilities and there are other projects in the area of procurement which we are discussing. We will carry these forward and in cooperation with the Sister Agencies produce a document for the next Session of the Programme and Finance Committee.

**Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

I would like to address concerns that were put forward by the Representatives of Finland, the United States of America and Japan.

The Representative of Finland speaking on behalf of the EU referred to the challenging budgetary environment and the tentative estimates that had been put forward by the Secretariat as at September of US\$ 27 million of unbudgeted costs. The Representative of the United States of America referred to a long-term budget imbalance and added that no other Specialized Agency has overspent its budget.

I should like to assure the Council that FAO has never overspent its approved budget. The comparison of approved budget versus expenditure is provided in Statement IV of the biennial Audited Accounts and if it were to show that the Organization overspent its budget in any biennium, the External Auditor would qualify FAO's accounts. This is because Financial Regulation 4.1 obliges the Director-General to incur obligations up to the amounts voted by Conference.

I mentioned this morning that in 2004 and 2005 there was a reported total of US\$ 23 million in unbudgeted costs and the detail is provided in Paragraph 5 through 8 of the Finance Committee Report CL 131/9. The Annual Report on Budgetary Performance showed that FAO spent less than 100% of its appropriation in 2004 and 2005 despite US\$23 million in unbudgeted costs in the previous biennium. Paragraph 10 of the Report states that the Finance Committee congratulated the Secretariat for its sound management of the budget.

The representative of Finland asked how such unbudgeted costs are addressed. The challenge is to identify the problems in advance, as the Secretariat does, so that managers can plan properly, through reduced allotments that are provided to managers in both first and second year of the biennium. In providing these allotments, of course the Director-General bears in mind the priorities as expressed by the Governing Bodies and the modalities in fact are explained in Paragraph 26 of document JM 06.2/3.

Of course, your Secretariat reports these problems to the Governing Bodies as soon as they are known as I had indicated in my intervention this morning. The Representative of Japan referred to an apparent admission that we have inaccurate forecasts. I should like to explain that the Organization faces a challenge; the challenge is that we have operations in numerous countries and in numerous currencies. We face a global environment of fluctuating exchange rates. We are obliged to follow decisions that are outside the control of the Organization such as, ICSC recommendations on salaries. The governing body process also requires preparation of the Programme of Work and Budget estimates up to two and a half years before those estimates actually mature into actual expenditure. The problem, therefore, is that the Secretariat does not have a crystal ball and unfortunately in both 2004-05 and 2006-07, there has been a forecasting



error of between 3 and 5 percent of the budget. We are, of course, concerned about these errors because we are sensitive to the difficulty that this causes in implementing the approved programmes.

The difficulty of forecasting has been raised with the Finance Committee in particular at its May Session, where the Finance Committee gave a sympathetic hearing to these problems which are summarized in Paragraphs 38 and 41 of the Report of the Finance Committee Report, CL 131/9.

I think a distinction needs to be made between the resources for the budget and safety nets. Resources for the budget should be in an ideal world, exclusively funded by timely payments of assessed contributions. In fact the Representative of China referred to this as the root cause of the problem. The problem is that this is an ideal. The reality is that contributions come late as explained by the Assistant-Director-General of AF and, under those circumstances, it is necessary to have safety nets as alluded to by the Representative of Zimbabwe. Safety nets need to deal with late payments in Assessed Contributions. FAO safety nets need to also deal with management of exchange rates, or other shocks such as those that under the Conference Resolutions are charged through a Special Reserve Account.

In fact, I should mention that at the United Nations in New York, where the same Members are present, there are some excellent safety nets whereby these kinds of shocks are handled through adjustments in the appropriation.

The question of safety nets may be seen at this stage as a first discussion on the matter of the Council. The Representative of Finland and the United States, amongst others, referred to the request of the Finance Committee to submit an appropriate financial proposal in the Summary Programme of Work and Budget 2008-09 aimed at restoring the financial health of the Organization. In that document, of course the Secretariat will very clearly address the issue of safety nets.

Finally, Mr Chairperson, the Representative of the United States referred to the costs of reforms and possible benefits as well as their funding. In the light of the guidance from you, perhaps you would prefer that this is addressed under the next Item.

**Nicholas NELSON (Director, Finance Division)**

Simply to add my voice to support what Mr Juneja said about overspending I have heard interventions which somehow associated extensive borrowing with overspending. That is definitely not the case for the Organization. Borrowing is simply a very last recourse and solely to deliver the authorized spending and obviously to meet our contractual obligations with staff and suppliers on time without disruption because as is obvious, the contrary would be a great loss of credibility and effectiveness for the Organization.

One more question was raised by the distinguished Representative of Finland for the European Union about how the Secretariat would address unfunded and unrecorded liabilities. The major elements of these have been identified many years ago and have been and are being gradually addressed from a financial point of view. For example, it is well known that since 1998, before staff related schemes have been addressed, we have had a significant success over these years. The compensation payment scheme is today fully funded and fully recorded. As explained in Notes 11 and 20 of the Audited Accounts, the separation payment scheme for the first time is now fully funded and fully recorded.

The After Service Medical care is being addressed effectively with a separate funding stream which Conference approved at the beginning of 2003 and we have to remember that investment income is contributing a great many millions to addressing these liabilities. US\$ 36 million was provided by investments in the last biennium and US\$ 10 million so far this year.

The key will be to avoid any further unfunded charges in the most general sense.

**CHAIRMAN**

I think there is still one question at least remaining. The distinguished Representative of Bulgaria asked a question which was not answered. Could you answer that please?

**Nicholas NELSON (Director, Finance Division)**

Apologies Mr Chairman, I neglected to address that.

Yes, Country number four in Appendix C is the former Yugoslavia. That amount of US\$ 8 million plus has been outstanding for many years, possibly more than a decade. The problem is being addressed at the UN level from the Committee on Contributions of the United Nations because not only FAO but the other Agencies and entities of the United Nations all have, one way or another, outstanding amounts with this former country.

Regarding the question which the Representative of Bulgaria also asked about the newest and very important new member of FAO and whether the contributions had been paid. Yes, very promptly paid US\$ 1.4 million and 1.4 million Euros within a few days of their assessment being communicated.

An Addendum has been distributed today explaining that fact, and the reason why the information is not in the LIM document at the present.

**Seiichi YOKOI (Japan)**

I apologize for taking the floor at this timing. The apology is also for the other participants.

I very much hesitate to say this at this Council meeting, but I must point out that the way of explanation by the Assistant Director-General for Administration and Finance, as if the liquidity problem is caused only by the late payment by larger contributors is misleading, and goes against the intentions of many Member Nations who made interventions today and even the Director-General who emphasised that every Member Nation should make payment of its Assessed Contributions and arrears regardless of the amount.

**Khalid MEHBOOB (Assistant-Director-General, Administration and Finance Department)**

I think there was a misunderstanding, I did not mean to imply that the liquidity problem was only because of larger contributors. In fact, I kept emphasizing that Member Nations have to pay within thirty days of the call letter and that means all Member Nations. In the beginning, I even mentioned that since the Basic Text says payment has to be made within thirty days, a large number of countries had not paid so that does not only include the larger Member Nations. The reference to the larger Member Nations, I gave as an example of how a slight delay in payments can have an impact on the liquidity situation but the creation of the liquidity situation is obviously not the larger Member Nations, so there is a misunderstanding.

**CHAIRMAN**

I believe we did have a very rich debate on these Reports of the Hundred and Twelfth and Hundred and Sixteenth Sessions of the Finance Committee which resulted in a much better understanding for all of us of the financial problems of the Organization.

The main theme of the debate was the financial difficulties of the Organization, which in different terminologies was expressed by all the Member Nations and the root cause of that which received overwhelming support was that the root cause is the arrears of the Organization or not paying on time the assessed contributions by countries rich and poor, small and large. Of course, during our discussion today we see that some of you asked for some explanations, for more Reports for the coming Sessions of the Finance and Programme Committee and we know that it would be coming, plus you rightly mentioned in the other interventions that the IEE will also look into this problem, basically to see what are the difficulties. With this I would like to say that I believe that at this stage I could assume that the Council would support CL 131/7 on the FAO Audited Accounts 2004-2005 to the Thirty-fourth Session of the FAO Conference in 2007 for adoption

and endorses the Reports of Hundred and Twelfth and Hundred and Sixteenth Sessions of the Meetings of the Finance Committee.

*It was so decided*

*Il en est ainsi décidé*

*Así se acuerda*

#### **CHAIRMAN**

In a few minutes we will start Item number nine, I say a few minutes to take a deep breath and be ready for a good discussion.

*The meeting was suspended from 16.35 to 16.55 hours*

*La séance est suspendue de 16.35 à 16 h 55*

*Se suspende la sesión de las 16.35 a las 16.55 horas*

#### **9. Implementation of Conference Decisions on Reforms and Proposals from the Director-General (CL 131/18)**

#### **9. Application des décisions de la Conférence sur la Réforme et propositions du Directeur général (CL 131/18)**

#### **9. Aplicación de las decisiones de la Conferencia sobre las reformas y propuestas del Director General (CL 131/18)**

#### **CHAIRMAN**

We will start with Item 9 of our Agenda Implementation of Conference Decisions on Reforms and Proposals from the Director-General.

I immediately give the floor to Mr Heard the Acting Chairperson of the Programme Committee to introduce the part which was in the Report of the Programme Committee and we had asked him to postpone it to this Session.

#### **Victor C.D. HEARD (Chairman, Programme Committee)**

I can again be brief, but this time not for the best of reasons. We discussed the Director-General's further reform suggestions in great detail in the Programme Committee, it was the main issue that concerned us and we discussed these things at a great length. May I just say first of all referring to the main meeting, which asked for some information on proposals for reform and particularly for the Subregional Offices that were planned for Africa and this information was forthcoming for the meeting which took place in September, and was extremely helpful.

One of the issues which was discussed, which was the simplest one, was the operating model which is proposed for the sub regional offices in Africa, we did not immediately understand it and we asked the Secretariat questions, they provided us with copious information on how it would work and how it might work and how it was planned to work.

We concluded that we were satisfied that all of the issues were being covered by the Secretariat over how this would operationalize. We hoped that there would be as much flexibility as possible in the model so that we would not have a one size fits all situation and things would reflect local interest, national interest and regional interests as closely as possible.

Our Report also reminds FAO that if they need to be reminded, which I doubt, of the importance of nationally owned poverty reduction strategies in whatever any Organization does in any country and also of the importance to FAO of the United Nations Development Assistance Framework (UNDAF) and other wider exercises in helping FAO determine its role in country.

We discussed the Shared Services Centre proposal. We recognized that this was principally a matter for the Finance Committee, we asked for information and probably all I can say about this now is that we are pleased to note that some information has been provided.

We understand that the Secretariat is looking at issues of costs and benefits and this is the understanding with which the Committee concluded its discussions at that Item, we made no recommendations or suggestions.

The greater part of our discussion was over the Director-General's proposals for further reform, and this is where we spent most of our time. The proposal as a headquarters exercise was either accepted with interest or not strongly objected to. In the case of the Crisis Management Centre, the proposal was actually welcomed by a number of Members of the Programme Committee. I think that there are already substantial resources that are being provided voluntarily to support the Crisis Management Centre, so this is very positive.

The real division in the discussion of the further reform proposals which is reported in some detail in our Report, was over the two additional Subregional Offices, one for the Central America Region, and the other for the Persian Gulf Region. Some Members thought that these proposals should be implemented as rapidly as possible, and indeed in the discussion about them, there were suggestions that there should be more offices serving South America and various parts of Asia. On the other hand others wanted to delay any action at all on these two Subregional offices until the results of progress from the offices set up in Africa were clearer.

These details are set out in our Report in some detail and I am sure these are going to be issues that this Council would wish to debate. I will not elaborate on the case for or against either of them, because to do so might give a bias which I am sure that the Programme Committee Members would not wish me to give and would not themselves wish to give, these are matters of national interests and national policy.

I should also perhaps point out which may not be apparent from the Report of the Programme Committee that these issues were discussed with the greatest goodwill and the greatest interest by all Members of the Programme Committee to whatever length appeared to be required. We went through a number of processes to try and find some way of finding a common position, of avoiding coming to this Council with a Report which did not make a firm recommendation one way or another, regrettably despite our efforts, we just could not do so.

We recognized eventually that the Programme Committee is a technical committee and that these issues were largely of a political nature, and that a technical committee cannot resolve such issues.

Therefore, after this very brief introduction which I said was brief for the wrong reason, it is brief because we did not reach a conclusion. I think that the Programme Committee Members would like me to hand this matter over to you and put it in your capable hands and help us find a solution where we could not.

**Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

The Director-General's statement yesterday highlighted an important ongoing process of making FAO a more efficient and effective Organization during a dynamic period of changes and reflection. This Item provides an update on implementation of Conference-authorized reforms and presents, for Council's decision, the Director-General's proposals on further changes this biennium.

The Council last discussed the Director-General's reform proposals a year ago, so I should like to first summarize progress in the implementation of Conference-authorized reforms. I will then describe the proposals for further changes this biennium and thereafter draw attention to four specific areas where guidance is sought from Council.

Regarding the implementation of approved Reforms, Conference Resolution 7/2005 established a regular budget for 2006-2007 in November 2005, which translates into a reduction in real terms of US\$ 39 million. At the same session, Conference Resolution 6/2005 approved a first phase of restructuring at headquarters and the creation of Subregional Offices in one region and one sub-region. In the light of these decisions, the Programme and Finance Committees reviewed and approved the Revised PWB in May 2006 under the new budgetary chapters approved by Conference. Progress in the implementation of reforms already approved in Conference Resolution 6/2005 was examined by the Programme and Finance Committees at their Sessions in May and in September 2006. It is reported in Sections II and III, and the approved reforms are on track with high priority areas of work being fully protected.

Specifically, Headquarters restructuring was to be implemented effective January 2006; and for the decentralized structure, after careful assessment, the Director-General selected the locations of the five Subregional offices. Favourable Host Country agreements have been negotiated for the two existing and two new locations in Africa, and a new location in Turkey to cover the Central Asia Subregion. These agreements include generous contributions to one-time costs of over US\$3 million and cash and in kind contributions towards running costs valued at US\$ 17 million per biennium. The new decentralized structure is being applied flexibly. Skills mix and post profiles for the Regional Office for Africa and the Multi-Disciplinary Teams in Africa and Central Asia and have been refined and FAO experts are taking up their assignments in the new offices.

Regarding further proposals Conference Resolution 6/2005 authorized progressive implementation of the Reform Proposals, supported streamlining of administrative and financial processes aimed at achieving further efficiency savings, and invited the Director-General to make further proposals.

The proposals preserve the vision of FAO as a knowledge organization with sharper focus on the MDGs and effective programme delivery mechanisms including a more collaborative decentralized presence. Essential to the formulation of the further proposals was the priority assigned by Members to FAO's role as a convenor, in setting norms and standards and advising countries on their implementation, balanced with the acknowledgement by the 2005 Conference of the need for strengthened decentralization.

The focus on efficiency savings remains unabated. The present budget austerity has driven the Secretariat to locate inputs in specified decentralized locations, because the cost of programme delivery is demonstrably lower than under present arrangements. For example, biennial staff cost differences between the present and proposed arrangements for delivery of administrative services amount to US\$ 6.7 million while for the Subregional offices such savings add a further US\$ 5.2 million. Further cost savings of US\$ 3.9 million per biennium are also envisaged through actions that are within the authority of the Director-General while improved cost recoveries for external services will yield several million dollars per biennium.

Yet, the further proposals also show that there has been flexibility and adjustment on account of the extended consultations and guidance received since January 2006 when modified reform proposals were initially prepared for the Regional Conferences. In fact, after the views expressed at the Regional Conferences during the first half of 2006, only two new Subregional Offices are proposed. The comments of the Programme Committee have led to a strengthening of selected technical areas. In particular, the entities on IPPC and the secretariat of the International Treaty on Plant Genetic Resources for Food and Agriculture are increased by US\$ 500,000 each. Resource allocations to the priority areas identified by the Committee are protected and enhanced, as shown on Table 15 of the document. Following the comments of the Finance Committee and observations of the external auditor, internal controls are strengthened by reallocating US\$ 2.4 million for the local structural arrangements at the Headquarters have also been adjusted, for example in the Agriculture and Consumer Protection Department, to take account of further concerns of staff, management and Member Nations.

I would highlight four specific areas where Council guidance is sought. They concern the detailed configuration of the Shared Service Centre, the transfer of the Regional Office for Europe from Rome to Budapest, the proposed new Subregional Offices, and headquarters restructuring.

The proposals for Shared Services Centre were born out of the necessity of achieving efficiency savings in the provision of administrative services, which has been a repeated request of the Governing Bodies and reaffirmed by the Programme and Finance Committees at its September Sessions. The Director-General has alerted in 2005 that implementation of the Shared Service Centre could require a consolidation of MSUs in the Regional Offices and the transfer of certain administrative functions to a location that is more economical than Rome. The implementation of the Shared Services Centre was subsequently authorized, as a concept, by the Conference.

After careful technical analysis of service quality requirements and financial analysis, which is further described in a separate addendum to the document, it is proposed to transfer some administrative transaction processing to hubs in Bangkok, Budapest and Santiago, with supervision from a coordination unit at the Headquarters. This would have been a phased process between 2007-2009 and will generate savings of US\$ 8 million per biennium at current costs when fully implemented. Both the Finance and Programme Committees are satisfied that the proposals "meet the spirit of the earlier guidance provided by the Governing Bodies". Council is asked to provide its guidance on the proposal.

The Regional Office for Europe was transferred from Geneva to Rome in the early 1970s. A recommendation was made in the Independent Evaluation of Decentralization to relocate this office to Budapest. This high-profile evaluation was discussed at Council in November 2004, June 2005 and November 2005, and the Conference is, I quote, "looking forward to the implementation of the recommendations of the Independent Evaluation of Decentralization and the management response". Council is asked to provide its guidance on the matter.

The decentralized structure is proposed to be extended beyond Africa and Central Asia: (i) two new subregional offices are proposed to serve the Central America subregion and Gulf countries; (ii) Subregional Multidisciplinary Teams would be established within the Regional Offices in Santiago, Bangkok and Cairo, while regional technical officers would focus more on substantive programme entities; (iii) a new Liaison Office in Moscow is also envisaged.

A decision on the establishment of the Subregional Offices needs to be taken by the Council.

The proposed headquarters structure, which requires Council's endorsement, maintains a total of eight departments as presently authorized, but seeks to bring a better balance among them, to improve the internal organizational mechanisms for delivering the work of the Organization.

The Animal Production and Health Division, and the Plant Production and Protection Division, are maintained within the Agriculture and Consumer Protection Department. A small Crisis Management Centre under the Assistant Director-General will coordinate responses to crises related to transboundary pests and diseases of plants and animals.

This department also retains responsibility for agro-industries and rural infrastructure, thus remaining fully aligned with the 'farm-to-table' approach.

The Natural Resource Management and Environment Department, replacing the Sustainable Development Department, allows for more holistic coverage of Land and Water, Environment, Climate Change and Bio-energy.

The Economic and Social Development Department will house a division addressing Gender, Equity and Rural Employment to deal, in an integrated fashion, with the social as well as economic aspects of development.

The Knowledge and Communications Department, replacing the General Affairs and Information Department, brings together functions that plan, coordinate and facilitate the Organization's work, cutting across all programmes, on knowledge exchange and capacity building, as well as communications and advocacy. It will also accommodate a focal point for the International Alliance Against Hunger since the Office of the World Food Summit Follow-up and Alliances is proposed for abolition to achieve savings.

In conclusion, I would emphasize that the Director-General has made every effort to follow the guidance of the Governing Bodies and in making proposals to continue on our common path towards a more effective and efficient Organization.

The Secretariat looks forward to playing a positive part in the Independent External Evaluation and in the UN reform process. It recognizes the need for flexibility, to respond to eventual decisions of the Governing Bodies. But, after 15 months of discussion on the Director-General's reform proposals and more than two years after the completed Independent Evaluation of

Decentralization was first submitted to the Governing Bodies, there is also a need for decision and action, to respond rationally to recognized challenges and opportunities for improvement.

#### **CHAIRMAN**

Since we have the benefit of the presence of the Director-General, I would like to invite him if he has anything to add.

The documents under consideration are CL 131/8, CL 131/18 Corrigendum 1, CL 131/18 Add 1 and CL 131/18 Add 1 Corr 1.

In this Session we are going to follow a slightly different approach as I have been informed that some of the Regional Groups have discussed and they might have a common position to present. I would like to listen first to their regional views, if any, and then I will open the floor for all the Members of the Council and then Observers to have their comments.

So, I start with Regional Groups, if they have any common position.

#### **Alfredo Néstor PUIG PINO (Cuba)**

Siempre nos ha gustado tomar en cuenta los buenos ejemplos y, en este sentido, al hacer uso de la palabra lo hacemos también a nombre de los 33 países que integran el Grupo de América Latina y el Caribe.

Agradecemos a la Secretaría de la FAO por la presentación del documento CL 131/18: Aplicación de las Decisiones de la Conferencia y el Director General, que nos ofrece detalles de la magnitud de las propuestas alcanzadas así como la implementación de las mismas y constituye, por supuesto, un buen punto de partida para el debate en este Consejo.

Nuestro Grupo Regional apoya el sentido general del proceso de reforma emprendido por el Director General de la FAO, aunque considera que la eliminación de algunos departamentos con funciones relevantes para nuestros países va en detrimento de nuestras prioridades y de aquellas iniciativas relacionadas con la eliminación de la pobreza, el hambre y la malnutrición.

En este sentido nos interesaría conocer con más detalles cómo la actual estructura de la FAO puede continuar apoyando dichas iniciativas, en particular las referidas a la Alianza Internacional contra el Hambre, los eventos y proyectos Telefood, Programa de Embajadores de Buena Voluntad y los proyectos vinculados al desarrollo rural, incluyendo el seguimiento y aplicación de los resultados de la Conferencia Internacional de la Reforma Agraria, entre otros.

Nuestra región es consciente de la situación financiera de la Organización y de las implicaciones que ello conlleva para las expectativas que los Estados Miembros tienen de la FAO, sin embargo es ahí donde precisamente reside la respuesta y la solución a sus problemas. En efecto la reforma del Director General es una vía con miras a tener una FAO fuerte, eficiente y eficaz para abordar los crecientes problemas de inseguridad alimentaria, erradicar el hambre y la malnutrición. Es por ello que avanzar en el proceso de esta reforma sin apartarse de la implementación de los programas y proyectos operacionales constituye más que un reto, una prioridad institucional.

En este sentido, nuestro grupo regional solicita que este Consejo, en el marco de la descentralización, se pronuncie a favor de la apertura de una Oficina Subregional para Centroamérica, atendiendo el pedido de los Estados Miembros en su Conferencia Regional. En este caso, los distinguidos miembros del Consejo cuentan con una solicitud por escrito de apoyo al respecto enviada por la presidencia del GRULAC.

Bajo el principio de que, como se recoge en el documento que estamos examinando, la transformación orgánica de la FAO no es una medida que puede aplicarse de una sola vez, sino un proceso que requiere de una adaptación constante a los acontecimientos externos debemos considerar el proceso de reforma presentado por el Director General de la FAO como un proceso de aplicación progresiva pero que en modo alguno debe detenerse por acciones emprendidas, cuyos resultados están por verse aún. Nos referimos a la evaluación externa e independiente de la FAO y al proceso de reforma de las Naciones Unidas.

Finalmente permítame citar párrafos de una carta dirigida al Director General de la FAO que muy bien pudiera resumir la posición unánime de este Consejo cambiando, por supuesto, algunas palabras y cito:

*"Considero que el proceso de reforma de la FAO iniciado con el apoyo de su Conferencia en noviembre de 2005 es extremadamente necesario, lógico y oportuno, y respaldo un ulterior debate de otras propuestas de reforma durante el Consejo de noviembre de 2006, tal y como establece la resolución de dicha Conferencia.*

*Como Ud. ha señalado en más de una ocasión somos la primera generación que dispone de los medios suficientes para acabar con el hambre en el mundo. Si no afrontamos este desafío con la entereza necesaria, las generaciones futuras nos juzgarán por ello. La erradicación total del hambre en el mundo no puede esperar y la FAO debe tener los medios necesarios para liderar este proceso".*

Texto extraído de una carta dirigida al Director General por el Presidente del Gobierno de España, José Luis Rodríguez Zapatero.

**Romualdo BETTINI (Italy)**

With your permission, I will give the floor to the Representative of Finland, who will speak in the name of the European Union.

**Ms Heidi PIHLATIE (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

The EU welcomes the document CL 131/18 on the Implementation of Decisions taken on FAO reforms in the last year's Conference.

The Conference Resolution was a signal for FAO to launch the first set of reforms, among them further decentralization of the Organization. As the EU has stated last year and also in the Regional Conference for Europe in Riga, Latvia, this year, we greatly appreciate FAO's preparedness to modernize the Organization to better meet the global challenges. It is in this positive spirit the EU will consider the document now submitted for our perusal. The mandate of FAO is of vital importance to the international community, the challenges as expressed in the MDGs are great and increased focus and effectiveness are rightly demanded.

The FAO reform process is part and parcel of great effort to strengthen the credibility, coherence and efficiency of the UN System. It is essential that FAO reforms will be in line with both the evolving UN and international architecture.

Furthermore, FAO is in the middle of the very important IEE process. We would like to recall the common view reached at the Conference that the IEE would provide useful evidence for the reforms and that the IEE and the reform proposals should be mutually supportive. That cannot be achieved if we do not consider properly and in depth what each of these processes and proposed actions will bring along, what implications they will have on FAO's work, finances and human resources and its capability to support more effective country strategies towards the Millennium Development Goals.

Nearly one year has elapsed since the Conference Resolution and we can assess the progress so far. In broader terms, we are satisfied with the determination to seek suitable solutions on the basis of the agreed measures. We are pleased to note that the Secretariat has been sensitive to the comments made by the Programme and Finance Committees in May this year and has adjusted the budget in order to allow more funds to be allocated to programmes considered to be priority activities. This was emphasized also by the EU in the European Regional Conference last summer.



In the Riga Regional Conference we expressed also our deep concern on the reduction of the critical mass of expertise at Headquarters, which may affect negatively the capacity of FAO in some key areas. At the same time, we welcomed FAO's plan to increase delegation of authority to the Decentralized Offices. However, there must be a balance between the tasks and resources both at headquarters and in the regions. We have requested FAO to give an explicit presentation on how resources within FAO will be affected by the reform proposals. We have not yet received an adequate clarification on this issue. There are areas where pertinent cost analysis and in-depth study of options are necessary in order to proceed to a sound reform process, based on the findings of the IEE.

The EU is looking forward to appropriate proposals from the Secretariat in the Supplementary Programme of Work and Budget 2008-09 about how the financial health and long-term sustainability of the Organization could be restored. The Finance Committee at its Hundred and Fifteenth Session was very concerned about the difficult financial situation of FAO. A solution to the financial problems must be sought in order to avoid damage to the core priority programme and in order to constitute a foundation for further development of the Organization. The responsibility for solving these problems lies on the shoulder of the Secretariat under the leadership of the Director-General, with effective contribution from the FAO Membership. The general perception of FAO is critically linked to the general performance of the Organization and its capability to demonstrate results based on priorities defined and agreed upon in constructive dialogue with all Member Nations.

The restructuring of the existing departments within FAO seems to bring more clarity in the division of work. We also appreciate the maintenance of the existing structure in the fields of animal and plant health. We welcome the establishment of the Crisis Management Centre and the Secretariat of the International Treaty on Plant Genetic Resources for Food and Agriculture. The Secretariat is further proposing that some units – like Global Perspective Studies and the Right for Food unit – responsible for cross-cutting and horizontal issues are to be located in technical divisions. Regarding these proposals, we are concerned that this might endanger their ability to serve the whole Organization.

The FAO Conference in November 2005 authorized the establishment of the Shared Services Centre to achieve cost savings and further efficiency gains. However, with the information available, we are not convinced that the intended results can be achieved with the proposed arrangement and therefore an in-depth cost-benefit analysis is necessary and its results should be made available. Particular attention should also be paid to how to achieve lasting cost-effectiveness in administrative and financial functions by improving the collaboration among the three Rome-based UN Agencies – as recommended, *inter alia*, by the Joint Meeting of the Programme and Finance Committees.

The new organizational structure including decentralized offices has also direct implications on the operating model of FAO. The aim is to improve the delivery of programmes and services across geographical locations. This implies a quite complex system of relations, reporting lines and performance assessment and this means that the Secretariat is engaged in a challenging work. The Governing Bodies should have an important role in monitoring the implementation of the new operating model. Flexibility should be inbuilt in the operational model and other aspects of the decentralization reforms, including the staff mix of the Multidisciplinary Teams. In this connection, we would also like to highlight the importance of financial and oversight mechanisms.

The five new decentralized offices to be established as a first step of the Director-General's reform proposals are expected to be functional by the end of this year. After they have been in operation for a period of time we will be able to see how the proposed concept works. Only after that it will be possible to draw practical conclusions and make informed decisions on possible further steps in the FAO Reforms, including the two additional Subregional Offices proposed by the Director-General.

The report of the High Level Panel on System-Wide Coherence brings up many essential issues to be taken into account, especially at country level. The IEE will also consider recommendations of the System-Wide Coherence Report and other reforms in the international development architecture. The aspects of the High-Level Panel recommendations on enhanced interagency coordination need to be carefully reviewed in relation to all three Rome-based Agencies.

All in all, we consider it opportune to give more time for the first phase of the reform process to gain momentum and also to take full advantage of the results of the IEE, as well as other ongoing reforms within the United Nations.

**Ms A.I. PEPPLÉ (Nigeria)**

My apologies, I raised my flag to speak for Nigeria but I will wait until the regional bodies have spoken.

**Ibrahim Bocar DAGA (Mali)**

A ce niveau des débats nous souhaiterions que la parole soit donnée à l'Ambassadeur du Zimbabwe, Président du Groupe soixante-dix-sept pour parler en notre nom.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

To appreciate what we are up to, let's just cast our minds back and recap what we decided in November 2006. During the Conference in 2005, we adopted recommendations of the decentralization study and we entrusted the Secretariat to implement this. Further, we looked at the reform proposals that had been put forward by the Director-General and these were discussed and adjusted to reflect the needs of the various delegations, to the extent that the new proposals really should no longer be termed as the Director-General's reform proposals. They are a set of proposals that now reflect what the membership wanted to see in the reform in November.

In the same vein, the delegates approved the establishment of the IEE as a complimentary tool to the reforms and not as a checkmate. We welcome the latter – the IEE – but would like it to perform the mandate given it by the Conference. Therefore, we do not share the views of those whom now, for other alternative motives, decide to use the IEE to delay the reform process.

We are even more concerned when some delegations resort to delaying tactics under the guise that more information and consultation is required. If my recollection is right, for one and a half years the Organization has prepared paper after paper and we have consulted with various Members of staff in the Organization. Those who had wanted to get in-depth papers have been given in-depth responses. More recently we have all consulted with the Secretariat.

In the same vein, even the G77 went out of its way. We were meeting colleagues from the other regions to discuss this very issue because we felt it was an important matter and we wanted to carry each others views on board as we proceed with the reforms. Now we hear that the buzz word is linking FAO resources and FAO programmes to the IEE.

We see this as another tactic of the richer nations, trying to use their cheque books to enforce unwarranted pressures on the weaker nations. They are reforms of the Member Nations and they should not be guided by the strength of the cheque. We strongly resist associating ourselves with that approach.

Reforms are not a one time event. All organizations are continually reforming themselves to improve service delivery. FAO is no exception. It is expected to do the same when the need arises.

The current reforms should, therefore, be viewed as a progressive implementation of the proposals we discussed last year, that are aimed at improving service delivery, administration, management and a structure that supports all of this.

Since the stakeholders of FAO do not meet that often, long-term decisions have to be taken in a transparent manner to enable the Secretariat to work until we meet next time in June 2007, so that

we do not leave things at a stand still. Therefore, we are expected to take decisions that will bind us for the duration of the coming year.

The decisions that are cast today are not necessarily going to be implemented in one swoop. They will be phased out over the period, taking into consideration the availability of resources. The Secretariat is fully aware of this. Planning, by its very nature, calls for putting in place certain long-term considerations. It is therefore very important that decisions we take have to allow for the normal processes of planning and execution.

At the G77 in China we would have difficulty in going along with the view that everything has to come to a stand still until we approve the results of the IEE this time next year.

We should be pragmatic in our thinking. Not everything that will come from the IEE will be acceptable. The results of the IEE will be put to the tests just like any other study we have had in the past.

Just to show that the IEE is not going to be the guiding principle for everything, a month ago the Member Nations here witnessed the setting up of the Crisis Management Centre, without the IEE's position on this matter being sought, because we felt that transboundary diseases assumed a greater importance. Therefore, where there is a political will we can accommodate the changes we want. FAO serves us and as Members, we know what we want from it.

The G-77 in China has embarked on extensive negotiations with other regions on the package. We believe that this has influenced the paper we see today. I can recall colleagues from the other regions even admitting that the Secretariat was listening to the views of the various regions on the proposal. If the Secretariat has been listening to some of our concerns today, my region is recommending approval of the package.

However, we appreciate that for some delegations there may be need for flexibility but we are prepared to discuss the flexibility in terms of the times. As far as the package is concerned, we would like to propose that the package be accepted as it is.

Let me treat this issue of the IEE, inasmuch as it relates to FAO reforms. We approved as a complimentary tool to the work of FAO and not as a breaking device to the implementation of studies that we have commissioned and approved.

And as far as my delegation recalls, the decentralization programme is one such study that we commissioned and approved its recommendation. There are many reforms that are currently being undertaken in administration, in finance and in security matters. In any case, even when the IEE findings will come out, they will be subjected to the outcome of what will come out from the UN Reforms, which some have already indicated. Because they will come out more or less at the same time. And there is no way these outcomes are going to be approved before the next Conference in 2007. Either way, if the approval is likely to come out in 2007, I would suggest that for the current biennium, the work for the programmes in the decentralization would be in limbo until we reach 2007. To ask this would be an affront to the hungry whom we seek to represent in this Assembly.

One of the core issues we are here to discuss has come from the farmers themselves through the Regional Conferences. It was born out of the realization that the FAO's proximity to the people would ensure service delivery is more relevant and that it is delivered more timely. The current structure at headquarters were made long before most of us were contributing to this debate. This is why we in the developing world are seeking for this reconsideration because we now know what our needs are. The hunger map that was explained to us yesterday gave a full picture of where the needs are. Hence we request that this consideration be taken seriously to enable us to achieve the MDGs in particular as regards the food security. Thanks to the last Conference, the situation in Africa was well-covered and today we are able to report on the progress we have made in the year. Agreements have been signed for the opening up of three Subregional Offices in West, Central and Eastern Africa. The host governments are going to provide accommodation and other support services as well as the junior professionals and support staff. This has reduced the

pressure on the FAO administration budgets. The location of the Multi-Disciplinary Teams at the Regional Offices will give a further boost to food programmes in Africa.

We realize that there are some who argue that we should wait until the Subregional Offices in Africa have been put to the test. Let me try to allay such apprehensions. The Subregional Offices in Tunis, Accra and Harare have performed this function for over ten years with even less technical support since the professionals were based in Rome. As the pilot has already been run and the teething problems have been ironed out, therefore any further information that the Membership is seeking is readily available in the Secretariat. I am sure the Secretariat is in a position to give this information even during this meeting. So for Africa, it is no longer a pilot as I seem to gather from the meeting. We are now rolling out the benefits to add the Subregional Offices, that were not yet in the offing. The second phase in decentralization is coming from the realization that bringing the experts to the farmers would improve policy advice given to the Governments and speed up the empowerment of the farmers where nominative problems are rolled out quickly through strong field operations. To this end, this comes with being asked to approve the setting up of the Central American and Gulf Subregional Offices. As you realize in the process, approval does not necessarily mean that these offices will come on board tomorrow. But it allows for the planning and for the process of negotiations with the Host Governments to take place. The offices will follow the model already adopted in Africa to reduce the long-term demands on the regular finances of administration. Developing countries are opting to take up this financial responsibilities not because they can afford this but because they have realized that the long-term benefits of having the Regional Offices in their continents far outstrip the burden.

Regarding Headquarters restructuring, we have exchanged views with many delegations both from the developed and developing countries and we seem to have no major difficulties on this aspect. We are however are concerned that programmes such as this Special Programme for Food Security and Telefood have not been given due consideration. Yet these are the small projects that reach the farmers and can be implemented in small-scale to ensure food security at family level. The need for household food security was clearly articulated during the CFS. Further, we would like clarity on how the issue of rural development would be addressed during the restructuring of the Department of the Sustainable Development.

Regarding the issue of Shared Service Centre, Africa and the Middle East were also interested in the beginning but we gave way in order to achieve the greater good through efficiency savings and as was justified by the Secretariat. Today we meet to consider the same with some confounding details about the cost structure that have been supplied to us by the Secretariat. We can only welcome the Secretariat's creative ways of realizing further inefficiencies while delivering the services on increasing the cost resources as opposed to resorting to programme cuts. My only regret is that this issue should have been resolved before this Meeting to avoid putting Members against each other. We should all aim to reach an amicable solutions that addresses the financial challenges that the FAO is seeking to solve in the proposals. The G77 in China stands ready to help find a conclusion during this Session.

In conclusion, on the issue of the Regional Offices for Europe, we remain guided by the Conference Resolution 6/2005. We realized that with the respective regions, the issue is sensitive but we believe by deviating from the decisions that were taken by the Conference, we would be creating undue precedence. We therefore suggest that we retain integrity in our decision-making and that it is important for us to do so. It is important to respect the essence of this Resolution which gives Europe and Central Asia a chance to have their own Regional Offices. It is up to the respective regions to give clear pointers on how and when this can be realized.

**Yasser Abdel Rahman SOROUR (Egypt) (Original language Arabic)**

On behalf of the Near East regions we should like to reiterate our commitment to what has been decided by the Regional Conference for the Near East of FAO, held in Sana'a in the course of 2006 which supported the proposals submitted by the Director-General. The decision of the Conference in 2005 was very clear when it referred to the necessity of supporters saying that the Independent External Evaluation and the proposed reforms by the Director-General were two

complementary issues and not contradictory and each could support the other in developing the steps to be taken.

We express the support of the Near East Group with regard to the following points: first to establish a Subregional Office in the Arab Gulf and to support the observations of Cuba with regard to enabling their modified structures proposed by the Organization to take into account various proposals, particularly as regards a cut. Thirdly, we should like to solve the problem of their Shared Service Centre that in a way would be suitable and satisfactory to all the parties.

**Ms A.I. PEPPLÉ (Nigeria)**

My delegation will start by commenting the Secretariat for the lucid presentation of the outcome of the deliberation in the two Sessions of the Committee.

As I stated in my address to the Hundred and Thirty-first Session of this Council, my delegation maintains that the reform proposals with all its imperfections is a bold and commendable step, worthy of support, especially in the light of the current effort at a UN System-Wide Reform.

Within this context, my delegation finds the Committee's observation on programme livestock production and management quite compelling. The Ninety-fifth Session of the Committee observed that the spreading of livestock activities over nine different programmes may have the unintended results of loss of feasibility, the dilution of programme integrity and may even affect resource allocations. The practicability of the assurances from the Secretariat that responsibility for FAO livestock activities still remains with the Animal Production and Health Division will be seen in the course of implementation of the reform.

Regarding the Implementation of Conference Decisions, my delegation is generally satisfied with the progress in this area. On the Shared Services Centres, my delegation wishes to thank the Secretariat for the detailed and illustrative analysis presented in CL 131/18-Add.1. This addendum has been most helpful. However, while my delegation appreciates the rational and justification for the proposal as currently presented, we do subscribe to observation made in paragraph 20 of document CL 131/12 that there are political dimensions inherent in such arrangements.

My delegation can go along with the proposal before us, but with a clear hope and understanding that a hub will be established in Africa in a not so distant future.

On the new and present model for the decentralized offices, my delegation agrees that the practical implementation should be an interactive process and would want to advocate for flexibility that would allow for the assimilation of lessons of experience. In this connection we fully go along with the principle and spirit of paragraph 25 and 26 of document CL 131/12.

My delegation also welcomes the opening of the Crisis Management Centre to ensure quick response to the problem of transboundary diseases of animals and plants as indicated in paragraph 36 of CL 131/12.

In addition we support the establishment of Subregional Offices in the Gulf and Central America.

On the former proposal of the Director-General, I must confess that my delegation finds the arguments presented in paragraph 34 of document CL 131/12 quite persuasive. However, one also understands the Director-General's desire to get the work done especially when viewed within the context of the Conference Decisions and the question of opportunity arising from procrastination. Our position therefore, would be that the future further proposals be taken on board within the context of underlying rational that informed the Conference Decisions and the directive it gives to Council on this matter.

The critical challenge here would be how to bring together the proposals we are now implementing, the outcome of the Independent External Evaluation. Incidentally is the baby of the Governing Bodies and the outcome and possible recommendations of the High-Level Panel on the UN System-Wide Reform. But we should not run or shy away from challenges, since it has been said that challenges are the spice of life.

**Eudoro Jaén ESQUIVEL (Panamá)**

Seremos breves en la medida que este tema es de primordial importancia para nuestro país.

Estimamos oportuno iniciar nuestra intervención expresando nuestro más decidido apoyo a la declaración que el distinguido Embajador de Cuba hizo en nombre del GRULAC. Nos identificamos plenamente con ella.

En este contexto, y de manera adicional, deseamos evidenciar los innegables progresos logrados con la implementación de la primera fase de la descentralización efectuada en África y Asia Central, en particular, con lo relacionado con las nuevas oficinas subregionales y sus respectivos equipos multidisciplinarios. En nuestra opinión esta es la mejor manera de proyectar la acción de FAO hacia el campo dando respuestas prácticas indispensables y concretas *in situ* no sólo para el desarrollo rural de los países a los cuales esta oficina brinda su servicio, sino también en su misión de convertir el hambre y la pobreza en los mismos objetivos de esta Organización. Hablamos con propiedad profesional pues somos técnicos agrícolas con experiencia en el tema.

Por lo tanto, es en ese orden de ideas que apoyamos enérgicamente la fase subsiguiente de esta descentralización que consiste en aprobar nuevas oficinas subregionales para América Central y los Países del Golfo. Para conseguir tales objetivos, consideramos que el establecimiento de dichas oficinas subregionales es un factor de indiscutible importancia para adquirir la apropiada asistencia técnica que nos permita identificar y adoptar políticas para combatir el hambre, la desnutrición y la pobreza.

En este orden de cosas, consideramos que la descentralización es una necesidad para encontrar las respuestas indispensables para el uso racional y eficaz de los recursos con que contamos para el logro de los planes de desarrollo y es por ello que solicitamos la aprobación de dichas oficinas subregionales.

Con sus excusas y venia queremos una vez más evidenciar la importancia de las actividades como TeleFood que ha logrado establecer programas en 136 países. De igual manera apoyamos, como ya lo hemos dicho, el Programa de Embajadores de la FAO así como el Día Mundial de la Alimentación.

No podemos menos que expresar nuestra perplejidad ante las críticas a estos programas debido, según afirman sus críticos, a la exigüidad de los valores monetarios de estos programas. Somos de los que creemos que las pirámides de éxito y confianza se construyen con base de pequeños triunfos, así que no debemos desmeritar cuán pequeños sean los esfuerzos que se realizan en nuestra lucha contra la pobreza y el hambre.

De nuevo repetimos nuestra opinión de que, en ocasiones, los que viven en la opulencia fallan en comprender las actitudes, necesidades y satisfacciones de los que viven en la mayor pobreza, y esas actitudes merecen ser revaluadas.

**Seiichi YOKOI (Japan)**

Japan considers that the reform of FAO is an urgent issue to be addressed for the improvement of serious financial situation and for the realization of efficient and effective management and operation of FAO. In particular, FAO needs to identify priority areas of activities under the limitation of available resources, while clarifying the comparative advantages of FAO within the UN System.

Firstly, regarding the Implementation of Conference Decisions on Reforms, Japan appreciates the Secretariat's efforts to suppress the amount of Voluntary Contributions required from Member Countries, through negotiating with Host Countries of Subregional Offices and mobilizing internal resources.

However, Japan has to express a strong concern on the fact that a part of one time costs, that is US\$3.3 million is not secured yet. Japan expects that the Secretariat makes further efforts to accommodate the costs for the Implementation of the Conference Decisions.

Japan also appreciates the Secretariat's efforts to establish the Shared Services Centre in Budapest, as a measure to reduce expensive staff costs in Rome. Japan expects that the Secretariat takes necessary steps carefully for the success in the establishment of the Shared Services Centre. Japan insists that the Secretariat should conduct an evaluation after a certain period of time following the Implementation of the Conference Decisions, to see if the arrangements of headquarters, Regional Offices and the Shared Services Centre worked well as expected or not.

Given the results of the evaluation, the Secretariat should further explore possible Decentralization of headquarters in the similar way as Shared Services Centre.

Regarding the further proposals from the Director-General, Japan appreciates the Secretariat's efforts to suppress the amount of extra-budgetary contributions required from Member Nations, through slimming the contents of proposals following the Regional Conference decisions and mobilizing internal resources.

However, Japan has to express a strong concern on the fact that, according to paragraph 38 of document CL 131/7, the total amount of unbudgeted costs for this biennium is estimated as much as US\$23=7 million. Given the large amount of unbudgeted costs, the first agenda FAO should tackle is to make ends meet for this biennium. The implementation of further proposals with large uncertainties would further undermine the serious financial situation of FAO.

Furthermore, Japan also insists that further reforms should reflect the recommendations from the Independent External Evaluation, in accordance with the Conference Resolution that the Independent External Evaluation and the reform proposals should be mutually-supportive.

Therefore, Japan does not support the further Reform Proposals from the Director-General, before the Secretariat secures funds for the implementation of programmes for this biennium and the further proposals from the Director-General, and to report these to the Programme Committee and the Finance Committee for discussion and approval, and the recommendations from the Independent External Evaluation be reflected in the reform proposal.

Japan would like to point out three specific points on the further proposals. First, while the Secretariat explains that one time cost of US\$1.2 million are likely to be covered by external voluntary contributions by Host Countries, it is not clear at this stage, if the Host Countries, which are developing countries, would benefit from hosting Subregional Offices by providing a considerable amount of local costs.

Second, regarding the establishment of a Multi Disciplinary Team (MDT) in three Regional Offices, Japan insists that such establishment should be considered after the function and benefits of Multi-Disciplinary Teams are fully evaluated and confirmed during the implementation of the first stage of the reforms.

Finally, Japan insists that the Secretariat should fully explain the necessity of the Liaison Office in Moscow and clarify its costs and benefits, including the demarcation between the Liaison Office in Moscow and the Subregional Office in Budapest.

**José Roberto ANDINO SALAZAR (El Salvador)**

Deseo expresarle complacencia por la forma tan eficiente que está liderando los trabajos de este Consejo. Estamos seguros que llevará a buen rumbo los trabajos que nos hemos propuesto concretar en estas sesiones.

Mi delegación apoya lo expresado por Cuba en nombre del GRULAC, sobre los puntos que estamos considerando y quisiera recalcar la importancia que le damos para que este Consejo apruebe la apertura de la Oficina Regional para América Central, así como, para los países del Golfo Pérsico. Ya el primer paso fue ejecutado con las Oficinas Regionales en África y Asia Central, las cuales han obtenido buenos resultados, lo cual nosotros vemos con mucha satisfacción.

Finalmente, deseamos resaltar también la importancia de mantener los Programas de la Alianza Internacional contra el Hambre, los eventos y proyectos de Telefood y los programas de Embajadores de Buena Voluntad.

**Moungui MÉDI (Cameroon)**

Thank you for reminding us of the inside discussions that took place in the Programme Committee on this matter.

This is an item that has created long debates in almost all the Governing Bodies' Sessions of this Organization, and it will certainly continue to be discussed, once the Secretary General's High Level Panel on System-Wise Coherence Report, is released, especially in the area of development, humanitarian assistance and environment, and certainly after the publication of the findings of the ongoing Independent External Evaluation.

Cameroon has had the opportunity to comment the initiative of the Director-General to induce a debate on major reform proposals regarding such programmes as the ways of work of FAO. We continue to believe that the reform of the Organization is an important step towards its modernization so that it becomes result oriented and capable of producing measurable deliveries in achieving the Millennium Development Goals.

The Conference in 2005, after expressing general support for the rationale and guiding principle underlying the Director-General's Reform Proposals has given clear guidance on how the Director-General could start implementation of the proposals, especially those falling under his own responsibility and authority. The document before us and many others produced by the Secretariat, including updated addendas, are the response to the resolution of the Conference on the action taken so far and on further proposals.

Discussing on Implementation of the Conference Decisions. First at Headquarters. We take note of the modification brought to the structure of Headquarters which are in conformity with some aspects of Annex 2 of the Resolution 6/2005. While it noted that to the headquarters structure shall be progressively undertaken, we look forward to further action, so that Annex 2 is entirely covered.

Concerning decentralized offices. There is a merit in establishing Regional and Subregional Offices and funding them appropriately. We welcome the decision of implementing the first type of decentralization in the Africa region and Central Asia Subregion. We also note that there have been calls made by two Regional Conferences, namely Latin America and the Caribbean and the Near East, to create two new Subregional Offices in Central America and the Gulf. This is a valid example of the difficulty in building consensus.

We salute the decision of establishing a new Subregional Office with Multidisciplinary Teams in the Central Africa Subregion to cover Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, Gabon and Sao Tome and Principe. However, we have a question for the Secretariat on the case of Burundi. We have always considered Burundi to be in Central Africa. but in this Organization it is placed in East Africa, so we would like to know what is the rationale for this.

We welcome the establishment of the Subregional Office in Gabon, with Headquarters in Libreville. Cameroon wishes, to congratulate Gabon for the generous offer as per the agreement concluded between FAO and its Government.

Permit me nevertheless, to express the sentiment of my government for the way Cameroon was treated during the whole process of selection of Host Countries by the Secretariat of FAO. I must confess on the whole set, Cameroon has shown interest by writing to host Subregional Offices. To this effect Cameroon is baffled with technical and financial agreements. Since May 2006, we have been desperately waiting for an official reply to our letter to the Director-General on the matter.

In the official statement made by the Head of the Cameroon Delegation, in the Conference in 2005 and at the Regional Conference in Bamako and in many other instances, we consistently



called for a dialogue between concerned Member Nations on this issue. Nothing took place, even the meeting that was planned to take place in Bamako was cancelled at the last moment and our delegation was only informed when my Minister of Agriculture for Rural Development, Head of our delegation, showed up at that meeting. We are very disappointed.

The decision on the Host Country was first communicated to us in a meeting called by the Secretariat. In brief, there was on total communication gap, the decision of establishing a Subregional Office in Central Africa concerned eight countries and ought not to have been treated so lightly. This is an issue where Member Nations have the prime responsibility to decide and it is not a bilateral endeavour. We consider that the process lacked transparency and was completely non-inclusive and non-participatory.

Notwithstanding, we take note of the choice of the Secretariat in all fairness we have never had the opportunity to say this before, so we apologize if anybody felt hurt, that was not our intention, but we need to inform the Membership.

We take note of the argumentation brought up by the Secretariat with regard to the implementation of the Conference decision pertaining to a Shared Service Centre to streamline administrative and financial processes with a view to achieving further efficiency savings. The choice of Bangkok, Santiago and Budapest, given the efficiency gains that will permit to achieve looks very attractive, when only technical aspects are considered. Such choices only go beyond technical consideration and it is always advisable to engage us into an open debate, because political implications sometimes supersedes factual technical elements.

The Africa region, has always argued about the rationale for establishing a new Service Centre covering its region, but with headquarters located in another region, this requires more in depth information. We are not saying that we have not been formally informed on the matter, but what we mean is to seek higher consensus among Members concerned of the Africa Region. We also require support a reconsideration for another treatment for the Africa Region as mentioned by the delegation of Nigeria.

With regard to other measures for achieving efficiency savings, we strongly support increased and flexible delegation of authority and more autonomy to the decentralized offices. Our position, on the financial implication of the decentralization, is in terms of transitional costs as were already discussed under item 6 and 8 in our statement and say that at this point in time that voluntary contributions will mean a great deal in facilitating the decentralization process and will call for those voluntary contributions.

Concerning on the further implementation proposal from the Director-General, let me begin by saying that this is among the African countries, including Cameroon, it has received support and you heard the Ambassador of Zimbabwe and we associate ourselves with this statement . The reasons for the Director-General to submit cases for further implementation of his Reform Proposals are not questionable, since this was provided for in paragraph 5 of the Conference Resolution, examining these proposals together with the discussion that took place in the Programme and Finance Committees, we take note of the actions of consensus on whether to continue or not with further implementation of the Director-General's proposals.

While recalling that the Director-General reforms proposals were submitted as a package for which the Council had decided on its progressive implementation, the logic for further request of implementation seems obvious. We are mindful of request made by some regions during the Regional Conferences that took place in the first half of 2006, whereby these regions which were not considered in the first step on the implementation of this integration process, legitimately called for establishment of Subregional Offices in their respective regions. This situation, is identical to that preceded in the Conference in 2005 and deserves an inclusive dialogue with the entire Membership and solidarity with these regions. We can agree with this proposal of establishing the two Subregional Offices in the Gulf and Central America, the total number of Subregional Offices will now be seven out of 16 as in the first proposal from the Director-General.

The re-organization of the staffing in Santiago, Bangkok and Cairo, is essentially the responsibility of the Director-General we do not want to come back to it. What maybe of interest to Members is to ensure that the idea of Multidisciplinary Teams is achieved.

**Ms Radha SINGH (India)**

The last twelve months, the intervening period between the Conference last year and this meeting of the Council, have indeed been a very busy and engaging period for the Membership of the Secretariat.

The Conference, while approving the Director-General's first phase of reforms, had mandated that this Session of the Council decides on further implementation of the Director-General's proposals.

It is pertinent to recall that the Conference in the preamble of its Resolution 6/2005 had emphasized the need for the results of the Independent External Evaluation and the Director-General's Reform Proposals to be mutually supportive.

This key linkage must be kept, in our view, in constant view, we must not put in motion mechanisms that may need to be discontinued in the light of the IEE outcome.

The Indian delegation, welcomes the spirit of constructive engagement in which the entire membership and the others concerned have deliberated on evaluation and reform during the last twelve months. We are happy that the Director-General has engaged his team of officers and experts in a detailed analysis of the current state of affairs and come up with a broad range of recommendations. We are also happy at the progress that has been made by the core team of the IEE towards finalizing its recommendations that are expected to come before the Membership commencing April 2007, so that by the next Conference in November 2007, we have a range of measures that are not only acceptable to all of us but also that which serves as a blueprint for implementation that makes the Organization relevant to the needs of the Member Nations. We would expect that the recommendations are accompanied by a suggested timeframe for implementation and it will then be the responsibility of the Secretariat to ensure implementation in that mandated fashion.

It is in this context, and over this over-arching goal, that the Indian delegation would like to approach the decision-making process in this Session of the Council.

The keenness of purpose on the part of the Director-General, to carry forward the reform process has resulted in his putting forth these proposals that endeavour to cut costs and generate savings through measures such as full scale implementation of the proposals to establish a Shared Services Centre and suggesting a new operating model that seeks to establish Decentralized Offices all around the world.

We also take note that he has proposed these measures taking into account the views expressed at the Regional Conferences held earlier this year and at subsequent meetings he has had with the Member Nations from various Regions.

At the same time, we are also fully cognisant of the importance that the Membership as a whole attaches to the Independent External Evaluation (IEE); an exercise launched with a broad mandate to evaluate all aspects of FAO's work, its institutional structure and its decision-making processes.

The emphasis by the Conference on the need for both the tracks, namely, the Director-General's reforms and the outcomes of IEE to be mutually-supportive enjoins us the responsibility to ensure that decisions taken are conducive to the spirit with which the resolutions are adopted.

The Conference decisions gave a go-ahead to the Director-General on specific measures last year and these have continued to receive the support of all the Members. The Director-General has also come up with details on these proposals which are found to be by and large acceptable. These, for instance, include the reorganization of the intra and interdepartmental arrangements of the Headquarters.

On the matter regarding the setting up of the three hubs of the Shared Services Centre we are hopeful that the remaining issues on location and other related aspects would be resolved through mutual consultations.

We have also examined the arrangements proposed for a worldwide scale for ushering the new operating model for decentralized offices. These include the setting up of a number of Subregional Offices from where Multidisciplinary Teams shall become functional. The consequent changes in the role and responsibility of the Regional Offices and the manner in which the FAO Representative at the country level shall function, will, in our view, also lead to a significant structural transformation. We are told that these measures will lead to cutting costs in the long term. However, we also note that there are one time costs for establishment of these offices and a continued need to fund their operations. Also once established it would be unreasonable to expect that these offices shall have to be given an opportunity to function from the new locations for a considerable time in the future. It is for these reasons we feel that there is need to proceed with abundant caution.

FAO is perhaps at the most significant crossroads during its existence over the last six decades. A dynamic research agenda executed largely to nationally funded public sector research and development institutions with critical inputs for irrigation, credit and extension has seen world agriculture transformed in large parts of the country. The green revolution has helped large and small countries alike. Research institutions of the CGIAR system have also lent critical support for helping attain food sufficiency and develop wherewithals to counter mass hunger, yet, widespread poverty and undernutrition at various levels remains a challenge. Greater openness in trade in agricultural commodities and dismantlement of barriers that restraint its advantages from flowing in full measure to the large and growing number of smallholder agriculturists in developing countries is another challenge we need to confront.

Connected with these would be issues like development and propagation of sustainable practices that make agriculture on smallholdings profitable, thereby making a definite and quantifiable contribution to the attainment of the Millennium Development Goals (MDGs), especially MDG 1 and MDG 7 which fall directly within FAO's sphere of work.

Time and again, views on how to achieve these overarching goals have been expressed. Views have also been expressed on how FAO continues to be, not only relevant and capable, but also obligated to play a significant role in addressing normative issues and in contributing to development and management of post-green revolution agriculture.

Unlike the decades of the 50s through 80s, in the present day, world development and easy access to information and communication technologies has made it difficult for FAO to continue to be in a position to provide meaningful leadership, remain responsive to difficult needs of different nations and regions alike and address on a real time basis situations arising from emergencies, from immediate relief to continued interventions restoring livelihoods. We have, therefore, to be confident that the reform process, whether through measures proposed by the Director-General, or informed by the recommendations we received from the IEE exercise, or preferably through both, leads to the transformation of FAO into an Organization for the future.

We appreciate the efforts of the Director-General in trying to face up to the key challenges posed by a tight financial situation. However, all things considered we are of the view that measures as proposed by the Director-General could perhaps lead to a partial fulfilment of the broader agenda of change and reform that all of us have envisaged for this Organization.

Development of a holistic view would help usher in measures that are not only structurally oriented, as is the attempt in setting up of new offices, but also lend support to the thematic aspects of FAO's work. It would be reasonable to expect that the IEE exercises take a comprehensive view on the broader issue of setting up of Regional and Subregional Offices around the world through measures then implemented, collective and differentiated priorities of Member Nations, whether in country or at a regional level, will, in our view, be more effectively addressed.

The Indian delegation is of the view that such far reaching changes can be best brought only if reforms are taken up in a comprehensive manner. Measures for worldwide reorganization of offices by themselves involve costs. What is more, having requested and obtained substantial financial contributions from Member Nations for the establishment of these offices would then lend the exercise a degree of inflexibility in case changes are needed in the way of outcomes of the IEE. We would therefore suggest that any set of measures that go beyond what was approved by the Conference should await the recommendations from the IEE. The IEE exercise will undoubtedly take into consideration the recommendations made in the recent Report of the UN Secretary-General's High Level Panel on System-Wide Coherence before finalizing proposals on FAO's role on the multilateral system. We therefore propose that IEE's recommendations be examined in conjunction with the Director-General's proposals which have been developed after considerable study and analysis.

**Sra. Cecilia LEIVA M. (Chile)**

Quisiera corroborar lo que planteó nuestro representante del GRULAC, el Honorable Embajador de Cuba. En primer lugar creemos que efectivamente las reformas propuestas por la Secretaría van acordes con la búsqueda de una eficiencia y eficacia para el cumplimiento de los grandes cometidos que hemos planteado para el Milenio. Por lo tanto, sea a nivel de la Sede como a nivel del Centro de Servicios Compartidos, sus medidas de reforma van en ese camino. Asimismo, en el ámbito de la descentralización consideramos pertinente y necesaria la creación de una Oficina Subregional para Centroamérica, pero esta oficina debe tener la composición de personal apropiada para responder a las demandas de los Países Miembros de esa Subregión. Por lo tanto la composición del personal de esta Oficina Sub-regional no se puede hacer a expensas de debilitar la Oficina Regional. La Oficina Regional de América Latina y el Caribe ha cumplido un rol fundamental tanto en los procesos de reflexión, elaboración de políticas a nivel de la región, como en atender las demandas específicas. Por lo tanto, la Oficina Regional debe conservar la composición actual del personal de la oficina en materia de existencia en política y áreas técnicas de modo que pueda seguir atendiendo a las demandas de apoyo de los Países Miembros. Asimismo, debe existir una sola línea de articulación de mando entre la Oficina Regional y las subregiones, para garantizar una coordinación de las varias instancias y dar un trato apropiado a los temas regionales que creemos que deban seguir trabajándose en igual forma como para atender las demandas específicas a nivel de los países.

**Mrs Tritaporn KHOMAPAT (Thailand)**

My delegation wishes to share our views on the Implementation of the Conference Decisions and the further reform proposal as follows:

My delegation appreciates the initiative to establish three hubs of Shared Services Centre to serve the countries of the same time zones. We believe that the existing staff of the management support units in the Regional Offices in Bangkok and Santiago of Chile can contribute to the functioning of the centres. However, my delegation will be pleased to support this initiative when the Secretariat can justify the effective operations by submitting the additional information as requested by other speakers before me.

On the restructuring of Headquarters, my delegation appreciates the timely establishment of a Crisis Management Centre to address transboundary pests and diseases of animals and plants, as well as food safety crises in a comprehensive manner.

We look forward to benefiting from the effective cooperation of this centre; however, my delegation shares the expressed concern earlier during the recent CFS Meeting Agenda on the outcome of ICARRD that current FAO reform process should not diminish the role of FAO in relation to agrarian reform and rural development. This role should be clearly defined under a department of the restructured headquarters. As sustainable agriculture is considered as an appropriate approach of rural development to enable the living of small farmers in an environmentally friendly manner, continuous resource allocation to the responsible unit of FAO

should be focused on this development approach and for the implementation of these programmes.

Regarding the implementation of the first phase of decentralization my delegation is of the view that in parallel with the establishment of new Subregional Offices effectiveness of the existing decentralized offices should also be reviewed and strengthened to respond to the priority needs of the region and of the particular country.

My delegation wishes to express our concerns on the changes in FAO staffing as a result of the decentralization of the first phase and possibly of the further phase that we are discussing during this Council. In any cases that a decision is made to establish a new decentralized office and that the number of staff in that existing unit of FAO needs to be reduced for that purpose. Redeployment should be the first priority to absorb, as many as possible, those experienced and valuable staff who have dedicated for years for the operation of the Organization.

We strongly believe that the experience and capacity of these staff can guarantee an effective operation of the newly-established offices. In case that a separation cannot be avoided, fair measures should be introduced so that it will not entail any social impact on the host country of the existing unit. The staff of those affected units should also be informed, as early as possible, to have a clear picture of their future.

With regards to the further reform proposal, my delegation appreciates a strong determination and effort, as reflected in the document CL 131/18, to push forward further reform, especially the decentralization in other regions, after the initial stage approved by the 2005 Conference. We understand that the Conference assigned the Council to consider the further step of the reform as soon as possible and as appropriate, taking into account the guidance given by Member Nations. Therefore, in the case of the proposed further decentralization in Latin America and the Gulf, which we believe is in response to the common position and request of every Member Nation of these two regions, we have no objection to their design.

Nevertheless, for Asia and the Pacific Region, my delegation wishes to recall the recommendation given during the Ministerial Level Session of the Regional Conference in Jakarta, stating that further reforms should be implemented after careful assessment of the initial reforms and further consultation with Member Nations, taking into account the finding of the IEE.

The first phase implementation is still at an early stage and validation can only be made afterwards. We cannot yet justify, for the time being, that accelerating decentralization at one time in every region can improve the Organization's effectiveness or that delay to make a decision of decentralization will aggravate the hunger and poverty situation.

Thailand is, therefore, of the view that we should be in line with the direction given at the Regional Conference. That is, to wait for the evaluation of the first phase reform implementation and recommendations of the IEE. At that time we will be able to see a clearer picture of what will be the most appropriate strategy for other regions.

#### **Emile ESSEMA (Congo)**

La FAO compte aujourd'hui une expertise et un avantage comparatif indéniables. Cependant, la configuration de son personnel, tant au siège que sur le terrain, respectivement 70 pour cent et 30 pour cent, n'a pas un impact direct sur les attentes des communautés rurales, qui ont énormément besoin de son savoir faire. Il faut donc renverser cette tendance pour rapprocher le plus possible les techniciens compétents de l'Organisation des ruraux. C'est ce que vise globalement, disons mieux fondamentalement la Réforme de la FAO. Dans le cadre de la mise en œuvre de cette Réforme, la 33ème Conférence de la FAO a autorisé le Directeur général à mettre en œuvre progressivement ces propositions visant à modifier la structure organisationnelle du siège sans augmentation du nombre de Départements. Nonobstant cette orientation pertinente de la Conférence, certains membres ont eu le luxe de faire circuler des lettres confidentielles. Lettres qui du reste n'étaient plus confidentielles en raison de leur large diffusion allant jusqu'à demander au Directeur général, d'amorcer la Réforme après le dépôt des conclusions de l'évaluation externe

indépendante de la FAO. Au regard de ce qui vient d'être évoqué, nous sommes en droit de nous poser la question de savoir: "y a-t-il au sein de l'Organisation des États Membres qui sont au-dessus de la Conférence et qui foulent aux pieds ses décisions et ses recommandations?".

Heureusement, face à tous ces agissements négatifs, le Directeur général a dit et redit, impossible de vous suivre dans cette voie détournée car je m'en tiens scrupuleusement à ma feuille de route, dictée par la Conférence. Nous espérons que cela a été définitivement entendu.

Le fait d'exiger que le processus de mise en œuvre de la Réforme ne soit dès qu'on sait, qu'après le dépôt des conclusions de l'évaluation externe indépendante, ce au mépris de la décision de la Conférence, ne signifie-t-il pas que finalement nous serons en face d'un scénario d'évaluation qui produirait un rapport aux conclusions sur mesure?

Nous disons que le moment est venu de mettre un terme à toute cette vague d'agitation stérile. D'ailleurs, pour plus de précisions nous reviendrons demain avec l'Évaluation externe indépendante.

La délégation de la République du Congo, par ma voix, souhaite exprimer devant le Conseil sa grande satisfaction face au travail que déploie le Directeur général dans le cadre de la mise en œuvre de la Réforme. Et concernant lesdites réformes, la FAO nous a produit tant de documents qui nous expliquent le bien fondé des réformes, ce qui se fait exactement et comment on le fait. Du reste la fiabilité de toutes les informations reçues n'est plus de mise en raison de la transparence affichée et de la confiance que nous devons placer dans nos cadres, ceux-là même que nous avons placés à différents niveaux de responsabilité et qui font notre fierté.

En cas d'un doute quelconque ne serait-il pas souhaitable d'avoir recours à la source pour se ressourcer et avoir de la matière pour s'en convaincre. Ma délégation condamne les pseudo rebellions, la désinformation qui n'enchant pas notre Organisation commune. Les documents sur le travail qui se fait existent et sans parler de ceux sur les résultats escomptés.

En soutenant globalement la déclaration du Président du G77, j'aimerais également inviter l'ensemble du Conseil à soutenir les efforts fournis par le Directeur général dans le cadre de l'application des décisions de la Conférence sur les réformes.

Le Directeur général est dans une logique historique. Il nous faut qu'unaniment accompagner son action et ses efforts dans le cadre d'une mise en œuvre sans heurts des objectifs nobles de la Réforme. C'est à ce titre que nous demandons, par ailleurs, au Conseil d'approuver sans réserve l'ensemble des propositions du Directeur général que nous trouvons utiles et justifiées pour permettre à l'Organisation d'aller de l'avant.

Enfin, ces propositions disons-le reflètent l'ensemble de nos opinions.

#### **CHAIRMAN**

Before giving the floor to Mexico, let me read the list of speakers for your information: United States of America, Brazil, Zambia, Australia, Algeria, the Philippines, Angola, Madagascar, Republic of Korea, Canada, Uganda and China among the Members.

Observers: Qatar, Paraguay, Dominican Republic, Colombia, Nicaragua, Norway, Mauritius and Switzerland.

#### **Jesús HUERTA (México)**

Mi delegación se suma y respalda en todas sus partes la declaración formulada por Cuba como presidente del GRULAC.

La Reforma emprendida debe ubicarse en el contexto más amplio de la Reforma del Sistema de las Naciones Unidas, de manera que busque responder coherente e integralmente a los retos prioritarios definidos por la propia Comunidad Internacional, como son el desarrollo, incluido el combate a la pobreza, la seguridad y los derechos humanos. Mi país considera que las propuestas presentadas por el Director General deben orientarse precisamente a lograr ser más eficiente y

eficaz la labor de la FAO en el cumplimiento del objetivo del desarrollo mundial número 1 y de la CMA de 1996.

Así vemos con interés que los Centros de Servicios Compartidos, el proceso de descentralización, la gestión de Servicios Administrativos y Financieros constituyen rubros de la Reforma que bien encausados prometen obtener grados de eficiencia valiosos que harán más eficaz la operación de la Organización, a favor de sus Países Miembros, en particular, en desarrollo. Un elemento que es una constante del debate, es la insistencia en las economías y los ahorros, principalmente cuando se hacen comparaciones entre la realización de las actividades internas de la Organización y sus resultados. Reiteradamente se vincula ahorro con eficiencia. Sin embargo, la eficiencia está planteada a priori, ya que no se cuenta con el tiempo y la experiencia en que dicha eficiencia haya sido demostrada por nosotros mismos. En este sentido, se hace necesario ponderar debida y cuidadosamente este proceso de Reforma en consulta directa con los Estados Miembros y la propia Secretaría, y sin menoscabo de que ésta sea abordada con mayor profundidad por los Comités del Programa y de Finanzas y del propio Consejo en 2007, previamente para su presentación a la 34ª Conferencia General.

Mi país estima útil que para el año entrante, se pida a los Comités Técnicos que sigan tratando el tema de la Reforma y emitan algunas recomendaciones adicionales desde sus respectivos ámbitos de competencia, tanto al Consejo como a la Conferencia General. Ello sería sin duda una valiosa contribución a la orientación de la Reforma de la Organización en el contexto de la Reforma del Sistema de Naciones Unidas.

Mi país considera que el proceso de descentralización, la Sede con su estructura central fortalecida cualitativamente en lo que respecta al saber técnico y científico adquiridos por la Organización, permite irradiar el conocimiento útil al desarrollo de la Agricultura y la Alimentación en armonía y articulación con las oficinas descentralizadas regionales y nacionales en el terreno. Por ello, la reforma y la evaluación externa independiente deben ser complementarias y apoyarse recíprocamente para tener un mejor impacto de nuestra Organización en el terreno.

Por último, México reitera la elevada importancia que tiene que la FAO establezca una oficina subregional en Centroamérica y en el Golfo.

**Gaddi H. VASQUEZ (United States of America)**

The United States applauds the Director-General's efforts to think creatively and constructively about reforming FAO and strengthening the Organization's ability to carry out its mandate. We thank the Secretariat for providing additional information on the Director-General's proposals in the document before us.

In general, United States supports the guiding principles that underlie the FAO reform proposals. We view the first phase of the decentralization reforms as of pilot exercise. Because these measures are substantial and far-reaching, they need to be evaluated together with inputs and insights from the Independent External Evaluation before further Sub-regional Offices can be considered.

At last November's Conference, we all agreed that FAO needs reform. We have not fully agreed upon the nature and scope of reform, but in the view of the United States, the gravity of the challenges before us dictate a fundamental reform that goes beyond structural changes to the Headquarters and field office structures. FAO's priorities need to be reconfigured to reflect the Members' vision of its role and responsibilities, and resources need to be re-aligned with our agreed priorities.

In our statement on Monday, under Agenda Item 3, we shared our views on how to reconfigure FAO's priorities to meet the challenges of the future. We want to hear others' views on their vision for the future of FAO.

We recognize the Secretariat's point regarding the complementarity of so-called normative and field work. Certainly, norms and standards have little value if Member Nations do not have the

means or capacity to apply or implement them. Nevertheless, in an era of tight resources, FAO needs to focus first on those areas in which it has a unique advantage, including its normative work.

We appreciate the further clarifications the Secretariat has provided on the structure and functions of Regional Offices, Sub-regional Offices, and the decentralized Multidisciplinary Teams. It is clear that, even in implementing the first phase of decentralization reforms, the Secretariat's thinking has evolved considerably since the first reform proposals were presented in August 2005. This is a normal learning response. We will learn even more once the new Sub-regional Offices begin functioning at the end of 2006. It is imperative that we have time to evaluate these pilots before creating additional Sub-regional offices.

FAO has taken bold steps to rethink its headquarters and decentralized structures, but to charge forward with further reforms before we have received the results of the Independent External Evaluation would be a grave mistake. We are also concerned that proceeding with a second phase of reforms now would severely stretch the Organization's finances and the abilities of the staff and systems to adapt and keep up.

In conclusion, Mr Chairman, the United States continues to support a strong, focused, and effective FAO. We look forward to working with other delegations and members of the Secretariat in developing a consensus vision on the future of FAO.

**Ms Ligia Maria SCHERER (Brazil)**

My delegation joins others in the thanking the Secretariat for elaboration and presentation of a document CL 131/18. Brazil fully aligns itself with the declaration of Cuba, the name of GRULAC and of Zimbabwe, the name of G77. We support FAO's continued work aligned against hunger and related programmes. We support the establishment of the Sub-regional Offices for Central America and the Gulf. May I also stress that in the process of decentralization, it is very important to strengthen the technical capacity of regional offices.

Brazil has consistently supported the need for reform to make FAO more responsive to its mandate, more efficient and more effective. We therefore welcome the general thrust of the reform proposals. Nevertheless, we are not fully convinced of the rationale for some of the proposals concerning the Headquarters structure.

In particular, we are concerned with the disappearance of the Department of Sustainable Development and within the same Department, the Rural Department Division. Sustainable development and rural development would not be more akin to the Organization's mandate and comparative advantages. Moreover, the notions of sustainable development and rural development are too dear and too central to FAO in a moment when achieving the objectives of the World Food Summit and of the Millennium Development Goals seems particularly challenging. There seems to be no justification based on reasons of economy or any other to the fading of these concepts or FAO's work in these areas.

This at a moment when the recently released report of High Level Panel on System-Wide Coherence recommends the elevation and I quote: "...of the status of sustainable development in the UN institutional architecture". Having noted this conceptual loss, we would like to have further clarification on what new structures would be responsible for the issues dealt with today within the department/division, for example, which our Minister for Rural Development already mentioned in his intervention yesterday, the apparent lack of an institutional structure within FAO to cover the issues of agrarian reform and rural development particularly in regarding the follow-up of ICAARD.

Brazil would also like to reiterate our concern with the need for greater transparency regarding FAO's activities financed by extrabudgetary resources. We took good note of the vision yesterday by the International Federation of Agriculture Producers regarding FAO's continued work on the WHO global strategy. In this regard, we note that document CL 131/18 refers in its Section D to areas of potential interest for extrabudgetary contributions. We are not aware of the exact process



by which these supposed areas of interest have been identified. For example, Brazil is certainly not interested in the issue of implementation of forestry codes. Such codes are being promoted without a clear mandate and with a lack of consultation with Member States.

Finally, let me assure you, that my delegation is ready to cooperate with you, Members in the Secretariat so that the Council may arrive at the satisfactory conclusion on this important Agenda Item.

**Ms Lucy M. MUNGOMA (Zambia)**

The Zambian delegation welcomes the document on the agenda item under consideration, and comments the Programme and Finance Committee as well as the Secretariat for their efforts expanded in ensuring that the implementation of the first phase of the reform adopted by the Conference in Resolution 6/2005 proceeds without delay. We would also like to endorse the statements made in the Report that FAO's organizational transformation is a not one time effort but one of continued adjustments on the basis of evolving events and consultations intended in FAO's mandate. We did not at this stage re-elaborate the challenges posed to the Programme and Finance Committees in formulating the revised PWB for 2006-07 for the implementations of these reforms, owing to resource constraints.

This matter was more than adequately addressed this morning and this afternoon. With regard to the organizational structure at Headquarters, Zambia wishes to endorse the modifications and changes to the structure as of 1 January 2006 in order to make the Organization more reflective of the significant new dimensions inherent in the ongoing reform process and in particular to the enhanced role of FAO as a knowledge organization.

On the decentralization process, we are happy that significant progress has been made in the first phase of the establishment of the Regional and Subregional Offices in all the beneficiary regions of Africa and Central Asia by the end of 2006. And that favourable conditions have been negotiated with Host Governments. Indeed, Africa stands to benefit greatly from these reforms in terms of programme delivery. We therefore request Council to proceed with the second phase of decentralization for the Central America and Gulf regions.

We note from the additional proposals with regard to the Shared Services Centre that the guiding principles were savings and efficiency. In as much as this is concerned, we commend the Director-General and Secretariat for the creative approach of redistributing functions related to routine administration and finance to three hubs in Regional Offices in three regions in Bangkok, Budapest and Santiago de Chile, to be managed by a coordination centre in Rome. We note, for instance, that for the Budapest hub, the phased implementation from 2007 to 2009 will yield in net savings in US\$ 8 million per biennium compared with the target of US\$ 7 million anticipated in 2005. While we support this recommendation, we would also like to support the views expressed by those who have spoken before us, that in the continuous reflections and adjustments to our reform programmes, Africa should in the future be considered for a location of a hub. It is, in fact, our considered view, that the establishment of a hub in Africa would not only be a way of transferring technology but that it would also bring economies of scale which go with such Regional Offices.

Lastly, we welcome the establishment of the Crisis Management Centre to respond to emergencies linked with transboundary diseases of animals and plants. And also takes care of agro-industry and rural infrastructure, with the principle of farm to table.

**Brett HUGHES (Australia)**

Australia supports the reform of FAO to enhance efficiency and effectiveness and to focus on appropriate structures, strategies and priorities for the future. In this regard, Australia acknowledges the further proposals for change put forward by the Director-General in document CL 131/18 and appreciates the additional information that is being provided in the document regarding Implementation of Reform Measures already approved by the FAO Conference in 2005.

We acknowledge that implementation is proceeding as agreed by the Conference decision including for specific of Headquarters restructuring, establishment of five Sub-regional offices and establishment of the Shared Services Center. We see the establishment of the Shared Services Center as sensible and the associated costs savings as positive.

We also welcome the range of other measures identified to improve administrative efficiency that are within the Director-General's authority. These measures are in themselves significant. However, while Australia considers that some of the proposed changes outlined in the Document appear to be positive, we consider that the further Headquarters and decentralization reforms proposed are premature.

We are particularly concerned of the appropriateness of the decentralization model proposed. We are very concerned of the potential impact of the proposed decentralization on the capacity of FAO to undertake effectively its normative functions at Headquarters. We would not want to see any diminishment of Headquarters normative capacity, on the contrary, we wish to see this strengthened.

Australia would also find it difficult to support piecemeal organizational restructuring without insights from the Independent External Evaluation. Australia considers it important to get the restructuring right the first time as it is a very dislocating experience for the Organization, staff and clients and is also very costly. Any Headquarters restructure needs to be done in the context of an overall assessment of the Organization and an appropriate structure to deliver on its priorities and outputs.

Australia considers that FAO should hold off on any new proposals for change pending on full implementation of the evaluation of the first phase of decentralization and availability of the results of the Independent External Evaluation. To do otherwise, would be irresponsible and risk the possibility of incompatibility with the results of the IEE in the first phase of decentralization.

**Mme Saida ZOUGGAR (Algérie)**

Permettez-moi, au nom de ma délégation, de remercier le Secrétariat pour la qualité et la clarté des documents mis à notre disposition.

Ma délégation considère que le point 9 de l'ordre du jour est à traiter en liaison avec le point 8.2 portant sur les mesures visant à combler le déficit de l'Organisation.

En effet, la FAO a eu à faire face à une réduction budgétaire pour l'exercice biennal précédent et pour l'exercice en cours. Il s'agit là d'une véritable amputation qui ne peut qu'avoir un impact négatif sur la capacité de l'Organisation à remplir son mandat. Aussi, la situation de la détérioration financière, aggravée par la crise de liquidité, ont suscité l'urgence de mettre en place une série de réformes à l'effet de trouver une issue à cette crise. Pour ce faire, le Directeur général de la FAO n'a pas manqué d'élargir des consultations et les soumettre à débats.

Dans le cadre de ces propositions de réforme de l'Organisation, dites de seconde phase, le Directeur général nous a proposé un ensemble de mesures qui répondent aux orientations qui lui ont été données par les Conférences régionales. Nous appelons à leur mise en œuvre, promptes et pleines car elles sont de nature à renforcer les capacités d'intervention de la FAO dans l'ensemble des régions en développement d'une part, et devraient d'autre part permettre une économie substantielle de ressources que l'Organisation pourrait consacrer à ses activités opérationnelles en faveur du développement. Nous appuyons ainsi toutes les mesures qui tendent à épargner les capacités financières de la FAO et qui répondent pleinement aux préoccupations de l'heure d'autant plus qu'elle s'évertue à maintenir et au-delà à renforcer les programmes de coopération technique qui constituent l'instrument principal des activités de la FAO.

Nous considérons donc que les propositions du Directeur général pour cette étape, devraient être appréhendées comme un tout cohérent, fruit d'un long travail de maturation et qui gagneraient à être pleinement mis en œuvre.

**Bernie FONDEVILLA (Philippines)**

First of all we would like to share the sentiments echoed by India and Thailand.

We would like to make a general statement first. Going through the document CL 131/18 as well as the documents or related documents on this subject that were submitted to the Regional Conferences, we get the feeling that somehow we are just moving people and creating boxes here and there. Whether there is in fact any sense to it is another question that perhaps remains to be seen.

Nonetheless, we do agree with some of the changes and for the others while we do not necessarily disagree, we believe that they can wait.

For example, we agree with the renaming of the Department of Fisheries into the Department of Fisheries and Aquaculture. However, if we ask ourselves the question: Where is the reform there?, We think it is simply in the name. We also find the idea of an Agriculture Department which would more closely embody the "farm to table approach", including retaining work on agro-industries and rural infrastructure within the Department, to be relevant because in my country, our approach is similar and we call it "farm to fork".

However, there are some restructuring that we find uncomfortable. For example, in the case of the new Department of Natural Resources Management and Environment, which can in part be seen as a successor to the previous Sustainable Development, we would like to be assured that the work on agrarian reform and the structures that go with it would still be there.

The more interesting part of the debate seems to focus on decentralization, and its attendant delegation of powers and the Headquarters restructuring. We believe that the Director-General has the power to institute reforms in some areas and in this regard he has our support.

However, there are certain areas which need approval of the Governing Bodies. Generally in these areas, we urge caution, because there is an ongoing External Evaluation.

We respectfully submit that the decision embodied in the Conference Resolution 6/2005 is vague enough, so much so that it is susceptible to various and subjective interpretations. For this reason reforms are being done ahead of the evaluation. However, we ask, what if the evaluation results in a negative assessment? Does it mean that the reforms will have to be undone?

Hence our attitude is guided more by pragmatism rather than haste. Since we only have one year or so for the IEE, why cannot we wait for its results before continuing with the reform process?

We feel that there is no need to charge headlong into reform since an evaluation is anyway taking place. Along this line and if our memory serves us right, yesterday the Director-General informed us that the Programme and Finance Committees have recommended to postpone the preparation of the Medium Term Programme 2008-2013 in order not to detract attention from the ongoing deliberations about the future direction of the Organization.

We think that this should also be the case of the reform process vis-à-vis the IEE evaluation. In the same way we also submit that our Region can wait for the development of another Subregional Office. We would like to first know how the Sub-regional Office in one Region and in one Sub-region will perform before we can make a statement on how our Region will move.

Just the same we extend our support to those Regions which have clearly expressed a desire for having a Subregional Office.

As we are all aware, in our side of the world, our Regional Conference is silent on this matter of having another Subregional Office and we do not want to pre-empt or override our superiors.

On another point, there is the element of delegation of authority. While we are happy to see a movement in the right direction of delegating the necessary authority to the regional ADG's down to the FAO Representatives, we still feel that the delegated authority is not enough for the FAO Representatives especially in the area of TCPs.

In a briefing held for Permanent Representatives some time ago, we were made to understand that FAO Representatives now have the authority to spend up to US\$ 200 000 per biennium although the maximum amount of TCP project funding has been scaled up to US\$500 000. This will still have to be approved by Headquarters.

Finally, the recommendations contained in the Report of the High-Level Panel on UN System-wide Coherence in the areas of Development, Humanitarian Assistance and Environment, entitled "delivering as one" have a concrete impact on the country level into how the UN System will work.

Without going into details, we feel that decentralization at the country level will have to be refashioned again, to take these new developments into consideration.

Thus, we are once again concerned there might be a wastage of scarce resources once FAO take these into account.

In conclusion, we can only urge prudence in this regard.

**Pedro Agostinho KANGA (Angola)**

Ma délégation tient à féliciter le Secrétariat de la présentation exhaustive de ces documents.

Dès la première lecture de ces documents nous constatons que les informations contenues dans ces derniers ont dit clairement que les propositions reposent sur un processus de conclusion avec les Pays membres ainsi que sur l'analyse interne plus poussée au sein du Secrétariat.

S'agissant de la première étape des propositions de décentralisation que nous avons approuvée, nous ne pouvons que nous féliciter de sa mise en œuvre ainsi que des contributions qu'ils se sont engagés à fournir aux pays hôtes pour couvrir les frais d'installation et les dépenses ordinaires.

Nous nous félicitons aussi de savoir que les bureaux régionaux deviendront opérationnels avant la fin de cette année et il est sans doute que ces pays où seront installés les bureaux bénéficieront d'une plus grande possibilité de la FAO. A cet égard, mon pays appuie l'établissement de bureaux régionaux pour l'Amérique centrale et le Moyen- Orient.

Dans mon pays le Telefood a été institutionnalisé compte tenu de l'importance qui se vérifie dans notre pays et les résultats enregistrés par les bénéficiaires. Dans le cas relevant de l'autorité du Directeur général de la FAO, nous avons pris bonne note des mesures prises comme indiqué à la section 4 du document, et nous souhaitons que soit renforcées ses délégations de pouvoir au sein de l'Organisation.

Le nouveau modèle de fonctionnement des bureaux décentralisés, doit être renforcé pour sa mise en œuvre en apport suffisant des ressources. Toutefois, il est à souligner que la décentralisation ne doit pas compromettre la capacité technique au Siège.

En ce qui concerne la nouvelle proposition du Directeur général, notre délégation reconnaît le bien fondé de la poursuite de la décentralisation renforcée et de principes de base des changements approuvés par la Conférence. Malgré l'existence de certaines divergences, nous appuyons la mise en application des nouvelles propositions du Directeur général et approuvons la nouvelle structure proposée au Siège, limitant à huit départements la délégation du pouvoir au sein de l'Organisation. Le nouveau modèle de fonctionnement du bureau décentralisé, doit être renforcé pour sa mise en œuvre en apport suffisant des ressources. Toutefois, il est à souligner que la décentralisation ne doit pas compromettre la capacité technique au siège. En ce qui concerne la nouvelle proposition du Directeur général, notre délégation reconnaît le bien fondé de la poursuite de la décentralisation renforcée et de principe de base des changements approuvés par la Conférence. Malgré l'existence de certaines divergences nous appuyons la mise en application de nouvelles propositions du Directeur général et approuvons la nouvelle structure proposée au siège limitant à huit départements comme fixé par la Conférence. Quant au concept d'un centre de gestion de crise chargé de coordonner les réponses de la FAO aux situations d'urgence, ma délégation approuve sans réserve cette proposition.

**Monsieur MONJA (Madagascar)**

Il y a un proverbe français qui dit "mieux vaut tard que jamais". Tout à l'heure je devais m'exprimer au nom du Groupe africain mais je n'ai pas pu le faire. Maintenant j'ai deux casquettes: au nom du Groupe africain et au nom de ma délégation. La Réforme de la FAO est d'une importance capitale pour notre délégation car l'avenir de l'Organisation dépend de la décision que nous allons prendre aujourd'hui et par conséquent, le sort des 850 millions de personnes sous-alimentées.

Faut-il rappeler que la Conférence de 2005 a adopté les propositions des réformes détaillées notamment en ce qui concerne la décentralisation, que notre Groupe attache une importance particulière et après la modification progressive à la structure organisationnelle au siège et la création d'un centre des services communs.

Qu'il me soit permis de dire ici que l'ensemble du Secrétariat, dirigé par le Directeur général, n'a pas ménagé ses efforts pour mener des consultations, tant au niveau des pays membres qu'au siège, notamment avec les Représentants permanents ici à Rome, avec le fonctionnaire de l'Organisation, afin d'impliquer toutes les parties prenantes.

La Conférence régionale pour l'Afrique, qui s'est tenue à Bamako, a appuyé à l'unanimité l'application immédiate de la première phase de la Réforme.

Les deux Comités, à savoir le Comité du Programme et le Comité financier ont examiné l'application de cette Réforme par rapport au programme et budget révisés. Des précisions et des éclaircissements ont été apportés par le Secrétariat suite aux recommandations par les Etats Membres.

Aujourd'hui nous pensons que les doutes des uns et des autres ont été levés avec l'explication et les documents à l'appui mis à votre disposition, très clairs et précis. Nous pensons que la Réforme de la FAO, l'évaluation externe et indépendante de la FAO, et la Réforme des Nations Unies sont liées et complémentaires, par conséquent nous ne comprenons pas l'attitude des uns qui ne veulent pas aller de l'avant prétextant d'attendre les résultats de l'évaluation externe et indépendante de la FAO.

Je profite de l'occasion pour dire, pour souligner ici que l'importance de Telefood pour mon pays est vraiment très apprécié par les petits paysans. Depuis 1997, Madagascar organise chaque année des événements concernant le Telefood et nous souhaitons donc la poursuite de ce projet.

De tout ce qui précède ma délégation naturellement appuie la déclaration faite par la Présidente du Groupe des 77 et demande enfin aux autres délégués d'appuyer les Réformes de la FAO soumises à notre approbation.

**CHANG-HYUN KIM (Republic of Korea)**

First of all the Republic of Korea highly appreciates the Director-General and Secretariat's efforts to make FAO with around 60 years of history more efficient. We agree with other Members assessment that the first reform proposal of the Director-General as adopted at the last Conference would have considerable effects in budget saving and effective implementation of projects.

Korea also believes that the recommendations of the IEE, Medium-Term Plan from 2008 - 2013 and the reform should be harmonized and mutually supportive. In this regard we believe the further reform proposed by the Director-General needs to be pursued at a proper speed in order for the IEE and the Medium-Term Plan to be properly reflected in the ongoing reform process.

**Paul MURPHY (Canada)**

I would first of all like to echo the sentence expressed more eloquently by the delegate of India in recognizing the energy and efforts of the Director-General and his Secretariat in putting forward reform proposals as well as the constructive dialogue among Members that the Chairman of the Programme Committee has referred to.

Canada welcomes progress and implementation of the Conference approved decisions of 2005 but is of the view that further headquarters reorganization and establishment of Sub-regional Offices should await assessment of the actual outcomes of that implementation, the results of the Independent External Evaluation and digestion of the recently released High-Level Panel Report.

Canada does welcome guidance on priorities contained in the Director-General's documentation and underlined by Programme Committee as well as the additional resources allocated to priority areas such as the work of Codex, the IPPC, the International Treaty on Plant Genetic Resources, the Code of Conduct for Fisheries and the transboundary plant pests and animal diseases.

We also welcome clarification that a flexible approach to staffing in the Subregional Offices will be adopted.

Over the past several years, for example progress has been made in the strengthening of the food control systems in many developing countries. This progress is due in large part to the activities of the food safety and nutrition officers in place in the Sub-regional Offices and we suggest that these positions be retained.

#### **Bright RWAMIRAMA (Uganda)**

We associate ourselves with the statement made by our current Chairperson on the G77 and Zimbabwe. We would want to add that we thank the Director-General and the Secretariat for the proposal to establish two more Regional Offices in the African Region. We note that FAO responsiveness to needs take a long process. Our appeal to the Director-General therefore, is to strengthen the capacity in these Regional Offices as is the case with other UN Agencies in order to achieve effectiveness, efficiency and responsiveness. Already, it is sub-Saharan Africa which has not performed well on food security and poverty levels. The move to decentralize is therefore very focussed and should be supported.

The Secretariat seem to have made adequate evaluation of the reforms before recommendations, my delegation, therefore, appeals to Council to support this initiative without delay for efficient and effective delivery of services to Africa and other proposed regional centres.

#### **WANG JINBIAO (China) (Original language Chinese)**

The Chinese delegation wishes to express our thanks to the Secretariat for the documents prepared and we also wish to express our appreciation to the efforts made by the Director-General. The Chinese delegation believes in an efficient and capable FAO that could deliver better services in the interests of all the Member Countries, therefore the Chinese delegation would support the reform of FAO.

FAO, as a Specialized UN Agency has the task of poverty and hunger reduction in the form of independent forum. Its role is quite essential in promoting international agricultural, economic, communications cooperation, information sharing and technical transfer. Therefore, FAO reform should make efforts in the improvement of its efficiency and effectiveness, improving its professional capabilities and technical levels and improve its levels and qualities of service delivery through reform to use its competitive advantages and to realize its purpose and mandate.

The process of reform should be transparent; any decisions regarding reform should be reached commonly on broad participation and sufficient consultation of Member Nations. At the same time the decision process of reform should also be transparent. The Secretariat of FAO should timely update all the Member Nations on the process of reform so that countries would have enough time to consult and discuss. The reform should be gradual and step by step. On important issues our attitude should be cautious and we should strive to reach uniform decisions on the basis of broad consultations. We should arbitrarily set time limits or forge any decisions to go through. Reform should have its achievements in both fields of normative activities and exclusion tasks to maximise its efforts to satisfy the requirements of all the Member Nations and concerns.

At the same time we should closely follow the direction of UN reform and learn from the experiences of the success of reform in other Specialized Agencies in the UN System.

**Ahmed Ibrahim Al-Abdulla AL-ABDULLA (Observer for Qatar) (Original language Arabic)**

It is a pleasure to congratulate you on your excellent guidance on our proceedings.

I would like to convey to you the decisions of the Regional Meeting for the Middle East, which was held in Sana'a; a conclusion that was mentioned by Egypt when speaking on behalf of the Middle East Group. Those decisions stressed the need to support the proposals submitted by the Director-General, Mr Diouf, to reform the Organization and strengthen field activities with the establishment of Sub-regional Offices of the Organization in different geographical areas, including the Near East Region and especially in the area of the Gulf Cooperation Council.

We would like to underscore the decisions of the Ministerial Meeting of the Near East Group, especially those that referred to the Sub-regional Offices of the Organization to allow FAO to become a more efficient, a more effective Organization, to allow it to respond to the needs of Member States.

We need to consider that the establishment of these Sub-regional Offices within the framework of the reform programme will not entail higher expenses for the Organization because the host countries of these Sub-regional Offices will meet most of the costs of these Offices.

**Sra. Liz Haydee CORONEL CORREA (Observador de Paraguay)**

En nombre de la República del Paraguay deseo sumarme primeramente a las palabras del Representante de Cuba, quien ha presentado a la Mesa los temas que son prioridad para nuestra región. Entre ellos se encuentra el seguimiento que se tiene previsto dar a los programas Telefood, Embajadores Extraordinarios y a la Alianza Internacional Contra el Hambre. En el documento CL 131/8 se mencionan implícitamente a los dos primeros, ubicándolos dentro de la dirección de comunicación y señalándose luego que el Departamento de Desarrollo Económico y Social se ocuparía de la función catalizadora de alianza.

Paraguay sólo en el año 2006 ha recaudado más de 350 mil dólares, que para nuestro país es mucho dinero, a través del Programa de Embajadores. Estos serán destinados a más de 90 programas Telefood con impacto directo en las comunidades más vulnerables, familias y particularmente niños de escasos recursos. El Concierto TeleFood Música Versus Hambre, entre otras actividades emprendidas por la Embajadora Extraordinaria de la FAO y Primera Dama de la Nación, más que recaudar fondos ha abierto la discusión sobre el tema del hambre y la pobreza en mi país, ha instalado el debate entre todos los actores de la sociedad a través de lo cual ha sido posible la conformación de la Alianza Nacional Contra el Hambre, con 25 miembros fundadores, 13 de los cuales pertenecen al sector privado.

Comento la experiencia de Paraguay en tan sólo un año de trabajo coordinado con estos tres programas para ilustrar la importancia que tiene esta tarea de promoción y concientización de la FAO. Esta es la agenda positiva y tangible de la FAO, no sólo para mi gobierno sino sobretodo para la sociedad paraguaya, que a partir de este relanzamiento de la imagen de FAO en Paraguay ha entendido que el hambre y sus consecuencias son responsabilidad de todos.

Por ello deseamos seguir trabajando coordinadamente, apoyamos las reformas que presenta el Director General para la Organización y en este marco solicitamos que las actividades de promoción se mantengan agrupadas bajo una sola dependencia, tal como se ha decidido en la 33ª Conferencia de la FAO.

En otro ámbito, en lo que se refiere a la reorganización del Departamento de Desarrollo Sostenible, nos gustaría tener un poco más de información sobre qué oficina se hará cargo de los temas que hasta la fecha desempeña la división de desarrollo rural, particularmente en lo referente al seguimiento de la Conferencia de Reforma Agraria y Desarrollo Rural. Durante el tratamiento de este tema, la Secretaría ha mencionado el establecimiento de un grupo de trabajo FAO FIDA y PC bajo el sistema de aportes voluntarios. Paraguay considera éste el resultado más alentador de esta Conferencia, porque el grupo de trabajo hace realidad la labor catalizadora y articuladora de la FAO entre los gobiernos y la sociedad civil.

No solicitamos nuevas estructuras ni erogaciones, sólo deseamos que se mantenga la coherencia, hasta ahora manifestada por esta Organización, al convocar, alentar y dar seguimiento al proceso, sobretudo ante nuestras sociedades y organizaciones civiles, quienes esperan seguir el diálogo iniciado luego de 27 años de silencio de la comunidad internacional y, sobretudo, obtener respuestas.

**Mario ARVELO CAAMAÑO (Observer for Dominican Republic)**

In endorsing the statement by Cuba in the name of the GRULAC, I wish to suggest that the full text of President Zapatero's letter to the Director-General be circulated. Those attending a side event organized by the Spanish delegation at noon today already have it.

***Continúa en Español***

Me congratulo de que en este órgano nos demos cita representantes de países grandes y pequeños, miembros y observadores, para intercambiar opiniones sobre cómo hacer de ésta una mejor Organización. En este contexto, muy humildemente, mi delegación desea hacer saber a los distinguidos miembros del Consejo su opinión sobre los temas enmarcados en la exposición introductoria del Presidente del Comité del Programa. Atendida su sugerencia seré muy breve.

El Gobierno de la República Dominicana apoya en general la dirección de las reformas estructurales en la sede. Queremos también llamar la atención sobre la importancia de las actividades englobadas bajo el título "Advocacy", actividades de promoción y recaudación de fondos como el Telefood, el Programa de Embajadores de la FAO, el Día Mundial de la Alimentación y la Alianza Internacional Contra el Hambre. Deseamos saludar la apertura del Centro de Gestión de Crisis; igualmente nos satisfacen los ahorros por eficiencia realizados en el bienio anterior, según refleja el informe, sobre la ejecución del programa, al tiempo que manifestamos nuestra profunda preocupación por la persistente reducción de los productos efectivamente realizados como consecuencia directa de las continuas restricciones presupuestarias.

Nos complace ver el estímulo a los ahorros administrativos que se persiguen mediante el trabajo conjunto con el FIDA y el PMA. Saludamos, esto en el contexto de la propuesta de un Centro de Servicios Compartidos, las ideas creativas para obtener mayores eficiencias en lugar de recortar programas, ideas éstas que ponen o intentan poner en operación formas originales para obtener ahorros en los escasos recursos de que dispone la FAO. Queremos subrayar la atención que de la FAO al fortalecimiento de las oficinas en los países, incluyendo un mejor uso del fondo del PCT y dando énfasis a la creación de capacidades incluyendo programas de nutrición. Valoramos también el nuevo modelo operativo para las oficinas descentralizadas, recordando la importancia de que sea ejecutado con flexibilidad, incluyendo la introducción de ajustes apropiados según vaya siendo aplicado. Queremos llamar la atención sobre los buenos progresos en la implementación del primer paso de la descentralización en África y en Asia Central, tanto en lo que respecta a las nuevas oficinas subregionales como a los nuevos equipos multidisciplinarios, llamando la atención de que se trata en efecto de un primer paso, y no de un plan piloto, esto en aplicación del Artículo 5 de la Resolución 6/2005. En este sentido apoyamos, además, el segundo paso en la descentralización, que consiste, como ya usted sabe porque lo ha escuchado de muchos delegados, las nuevas oficinas subregionales solicitadas por las correspondientes conferencias regionales para América Central y para los países del Golfo.

Sobre la oficina para América Central, todos los miembros del Consejo tienen en sus manos una carta que les fuera remitida por el Presidente del GRULAC con los antecedentes y las razones por las cuales nuestro grupo regional entiende que es el paso oportuno a tomar en este momento.

Para terminar, deseo llamar la atención de un riesgo, y es el de que la Evaluación Externa Independiente lo haga todo aún antes de concluir. Es posible, según hemos escuchado el día de hoy, que a partir de este momento ya, como ha sido escuchado a lo largo de este año, la Evaluación Externa Independiente sea el centro de atención de todo cuanto se plantee en la FAO. Desde ya se la pregunta. Y llevando estos prejuicios a su extremo lógico, tendríamos que concluir que no podría hacerse nada en esta Organización por si acaso choca con alguna de las



recomendaciones de la Evaluación Externa Independiente. Y yo pregunto: ¿y qué? la Evaluación Externa Independiente, cuales sean sus recomendaciones y sus conclusiones, será solamente un primer paso que habilitará a los Países Miembros de esta Organización, y no ya sólo a los Miembros del Consejo, sino a todos los Estados Miembros, a tomar decisiones sobre cuáles de esas recomendaciones serán implementadas en la FAO. Así que no pongamos el carro por delante de los caballos y continuemos trabajando todos para hacer de ésta, como dije al inicio, una mejor Organización.

**Juan Carlos SÁNCHEZ (Observador de Colombia)**

Seré muy breve. Nuestra delegación quiere apoyar en todo su contexto la declaración hecha por el señor Embajador de Cuba en representación del Grupo de América Latina y el Caribe, GRULAC. Pero no quiere desaprovechar la oportunidad para hacer un muy respetuoso llamado a los Estados Miembros del Consejo de la FAO en el sentido de la responsabilidad histórica que hoy tienen en sus manos. Ochocientos cincuenta y cuatro millones de personas están sufriendo hambre y desnutrición y la FAO se encuentra hoy en una situación presupuestaria bastante dificultosa. Ella funciona con los recursos que los Estados Miembros le proporcionan y está tratando, de todas maneras y de todas formas y así lo ha demostrado el Director General, de realizar los mayores esfuerzos y ahorros por eficiencia. Hasta esta hora de la noche no se ha escuchado un claro argumento técnico en el cual se diga que la reforma que está planteando el Sr. Director General es una reforma que vaya en contra de lo que busca la Organización, pero sí se saca la carta de la evaluación externa independiente como un aleas que podría ser quizás mejor que la reforma que el Director General está presentando.

Me parece que bajo la responsabilidad histórica que tenemos no deberíamos restar ni quitar posibilidades que el Director General hoy está pidiendo, pues mañana la FAO podría decir que no pudo cumplir con lo que se comprometía porque no se le entregaron los elementos necesarios para poder realizar el trabajo que venía planteando.

**Sra. Amelia SILVA CABRERA (Observador de Nicaragua)**

Voy a ser muy breve. Mi delegación apoya la declaración hecha por la Embajador de Cuba en nombre del GRULAC y la declaración de la Presidenta del G 77. Asimismo queremos reiterar la importancia que tiene para nuestra región el establecimiento de una oficina subregional de la FAO en Centroamérica, por lo que solicitamos el apoyo de este Consejo a esta prepueta.

**Arne B. HØNNINGSTAD (Observer for Norway)**

Norway welcomes the progress in the reform decisions from 2005 under the able leadership of the Director-General but we live in a dynamic period of change and I think we must have a holistic view to this process, which consists of internal reform of this Organization. The inputs that we will have from the Independent External Evaluation (IEE) and of course the Report of the High Level Panel on Coherence in the UN System.

It was mentioned earlier in the debate that – as far as the High-Level Panel goes – we will not have a clear picture or a decision in at least a year. Actually, what is happening now is that the train is leaving the station. We have the five country pilot coming up and it will be effectual for next year. So, it is necessary for the whole UN System, for all the Governing Bodies in programmes and funds and the Specialized Agencies, to have a view on this pretty soon and we better start deliberating now how this Organization can put its best foot forward in that process.

We would like to underline that FAO must take an active part in the overall reform process. FAO should contribute to reaching our common goal as stronger, more coherent and future-oriented UN system. FAO should also be an engine for development with its mandate and FAO should concentrate its efforts on the core areas within these mandates.

FAO should endeavour to avoid competing and overlapping activities. In this respect, FAO should carefully consider all aspects of its activities to better decide how FAO can integrate its programmes and work in the larger picture to achieve the Millennium Development Goals.

FAO must participate fully in the UNDAF, the CCA and the PRSPs to take advantage of its comparative advantages and unique expertise of this Organization. If that is not done, voids and vacuums will be created and they will be filled by others and we will have redundancy, duplications and overlapping. This is especially important now that we are facing the pilot projects for one United Nation at the country level. FAO efforts must, therefore, form an integral part of united development effort.

I would like to take this opportunity to point out two issues that need careful consideration by the Secretariat and the Council, within the framework of the UN total reform.

There will have to be a thorough review of FAO's processes and regulations to enable FAO to take full part in the concept of one UN. Procedures must be simplified and harmonized. We expect FAO to take full part in the Five Country Pilots that will be undertaken in 2007. In this respect, we regret that FAO did not take part in the first Pilot in Cape Verde.

FAO's regional structure for its operational activities in the field should be colocated with regional structures of other UN organizations and cover the same countries. We think that is a very important point in the endeavour to create one UN.

**Denis CANGY (Observer for Mauritius)**

The Mauritius Delegation wishes first to express its appreciation to the FAO Secretariat for the documentation which has been made available to all its Members and the efforts it has deployed in responding to all their preoccupations and queries.

The Mauritius Delegation supports the reform proposals submitted by the Director-General, as these measures intended to achieve savings and efficiency of the Organization, which has been requested by all Member Nations and which has been approved by the Conference in November 2005. This also reflects the views of various Regional Conferences, including our own Regional Conference in Africa.

The reform proposals should not be conditioned by the results of the Independent External Evaluation. These could be considered as twins and should be complimentary and cosupportive, as we said, but with some autonomy at the same time. In this respect, my delegation fully endorses the statement of the Ambassador of Zimbabwe, our current G77 Chairperson, particularly regarding the clarification between IEE and reform.

Subsequently, my delegation is of the opinion that the Independent External Evaluation should not be used, in fact, as a brake to the reform proposals as both of them are proceeding well and in a timely, transparent and impartial manner, in line with the terms of reference as approved by the Council and Conference.

**Mme Barbara EKWALL (Observateur de la Suisse)**

Ma délégation remercie le Secrétariat pour le document détaillé concernant l'application des décisions de la Conférence sur la Réforme et propositions du Directeur général. A cet égard, la position suisse s'articule sur les considérations suivantes: la Réforme de la FAO doit se faire en harmonie avec la Réforme du système des Nations Unies en tenant notamment compte du suivi, qui sera donné aux recommandations du panel à haut niveau sur la cohérence du système des Nations Unies.

Ma délégation soutient la vision d'un système opérationnel des Nations Unies pour le développement plus efficace, plus visible et mieux coordonné. Dans ce contexte, elle salue les initiatives prises par la FAO en vue de la mise en œuvre de la Résolution 59/250 de l'Assemblée générale des Nations Unies sur l'examen triennal d'ensemble des activités opérationnelles de développement du système des Nations Unies. Ma délégation est également d'avis qu'il faut étudier de manière plus approfondie, la possibilité d'améliorer la collaboration entre les trois Organisations établies à Rome.

Régulièrement par le passé, la Suisse a eu l'occasion de dialoguer avec le Secrétariat de la FAO sur les Réformes du Système des Nations Unies. La Suisse tient à ce que la perspective des

agences spécialisées, parmi elles la FAO, soit prise en compte lors des débats sur la Réforme ONUsiennne et elle s'engage sur cette voie. De manière générale, il est nécessaire que la FAO continue de disposer d'une masse critique nécessaire à son siège afin de pouvoir assumer de manière efficace les tâches qu'elle a à remplir.

S'agissant des propositions des Réformes qui nous sont soumises, nous aimerions émettre les considérations suivantes: sans être opposés au principe de la décentralisation, nous estimons qu'il conviendrait avant d'envisager une nouvelle étape, de tirer les leçons de la première phase. Pour ce qui est des restructurations au siège de l'Organisation, la Suisse partage l'analyse et soutient les propositions de la Communauté européenne à ce respect.

Compte tenu de ces réflexions, la Suisse estime qu'il convient d'attendre les conclusions de l'évaluation externe indépendante avant de décider de nouvelles étapes du processus de Réforme.

**Paolo ROZERA (Observer for World Organization of the Scout Movement)**

I represent the Organization of the Scout Movement in FAO in Rome and I take the floor on behalf of my organization but also as Coordinator of the Ad hoc Group of International NGOs representative to FAO.

The International Planning Committee for Food Sovereignty also joins this statement.

During the last Committee on World Food Security (CFS) it was officially declared that we want to reach the goal of reducing by half the number of undernourished people before 2015. In 1996, we condemned to death the first half of undernourished people. Now we are saying that to the other half that we are not able to help all of them before a lot of years. The situation is serious.

I would like to bring to your attention that I have said, we will not reach, we condemn and we are saying because we believe that there is not a unique owner of this goal. There are different levels of responsibility but it is a collective responsibility to achieve it; it is the responsibility of all. To work effectively towards this goal, it is fundamental to have the contribution of all the actors involved. With these words, we would like to reassert that we, the International NGOs and Civil Society Organizations (CSOs), are not the problem, but we are part of the solution.

Yesterday I had the pleasure to attend the afternoon session of this Council during which I listened to some distinguished delegates affirming that resources are being reduced and for this reason experiences as a special forum and International Conference on Agrarian Reform and Rural Development are not cost effective, but if now we are firm that we want to reach the goal of reducing by half the number of undernourished people before 2015 it is not a problem of resources but a problem of how these resources have been used.

We, the international NGOs and CSOs, are following the reform proposal set forth for FAO. We must reaffirm that we are doing so with a cooperative attitude. In fact, we would like to point out that in a moment when the resources are diminishing and must be better utilized, the international NGOs represent a resource whose great potential has not yet been fully exploited by FAO.

It is therefore clear that it would be to the mutual benefit if we increased communication and cooperation. To this effect, we would welcome a reform that would allocate more resources to the department in FAO that is dedicated to the relations with CSOs, which we regard of paramount importance for the future cooperation between FAO and international NGOs.

In this light, for us, the method of the multi-stakeholder dialogue using the Special Forum during the CFS should be implemented and institutionalized and the process used for the International Conference on Agrarian Reform and Rural Development should be monitored and implemented too.

Many other UN organizations and agencies are working effectively with this method. We also believe that it is fundamental to continue supporting the existence of rural development in order to offer technical assistance in this area as well as to ensure the follow up to ICARRD which contains in its name the words rural and development.

We welcome a reform of FAO if it drives at strengthening the role of FAO in the fight against hunger and poverty. We do not need FAO only as a technical office. Yesterday the delegate from Mali was right on target affirming that the mission of FAO is to feed people. For this reason we are here with you all to build together the road which could bring to see a glimmer of hope for reducing deaths for hunger.

#### **CHAIRMAN**

This brings me to the last name on my speaker's list and now we have to turn to the Secretariat for answers, comments and clarifications. So I will start with the Director-General.

#### **DIRECTOR-GENERAL**

Naturally, I will leave the specialists to give the detailed explanations later on. I will just try to place the discussions we are having, in the proper context.

Firstly, Member Nations, are sovereign, they are the bosses of the Organization. They have the right to take whatever position they wish. As an official elected by you, I do not have that latitude. I have to respect decisions of Governing Bodies and I hope that you will understand that all my proposals are made in that framework.

We should remember what was decided at the last Conference. The Conference decided through a reduction, that there would be a reform in one region and a subregion. After consultations Africa and Central Asia were selected.

The same Resolution of the Conference also stated that we should have an extraordinary Council in June or July to examine further reform proposals from the Director-General. The Resolution is quite clear, therefore I do not understand on what grounds I would be told not to present further proposals, which normally should have even warranted an Extraordinary Session of the Council. If you remember, I am the one who came and met the Regional Groups and said that the time June/July available before was too short; let us wait until the November Session of the Council. By then we would have had enough time for consultations with regions in the framework of Regional Conferences and we would have had enough time for consultation with the different Groups in Rome and we would have had also the benefit of the discussions of two Programme and Finance Committee meetings in May and in September. I think we have to remember that. So I respected what I was asked to do.

In the same Resolution, there was a clear indication that the Conference was looking forward to the implementation of the recommendations of the Report of the Independent Evaluation of Decentralization, which, if you remember, was an external report lead by a former UK Permanent Representative to FAO, Mr David Sands Smith, which proposed that we integrate the Regional and Sub-regional Office for Europe in Budapest, after evaluating the option of moving the Regional Office to Brussels. So, I have the obligation to present what I was asked by the Conference to do.

Regarding the proposals I made, I tried to follow a clear rationale. I said the proposals without implementation of decisions taken by the Conference, which meant having additional Sub-regional Offices in Africa and creating the Sub-regional Office in Central Asia. We established clear criteria for selecting the different sites based on communication, geographic location, costs of transport, infrastructure, logistical facilities, etc. We classified the countries and we said that we would negotiate with the first country. If we do not get satisfaction, we will move to the second country. That formula was followed everywhere.

If you remember, we were asked in the preliminary discussions to provide clear data of costs, benefits and so on, and at that time I said I was not in a position to provide you with what I did not have. I had to wait until I negotiated with each Host Country to be able to come with the exact costs involved, but also what benefit we would derive from being in that given location.

I think we have given to you, region by region, the different conditions that we negotiated with the host countries and, in general, we have been told that we negotiated well. I heard a comment

regarding the costs borne by the host countries, but they are sovereign countries, I cannot question their decision to negotiate an international agreement. They are Member Nations of the Organization, whatever they negotiate as sovereign states I take that at face value.

Now, the further proposals were also the subject of consultations; I consulted the countries of the Latin America and the Caribbean region and they said that they wanted a Sub-regional Office in Central America. I consulted the Near East; the Near East said that they wanted a Sub-regional Office in the Gulf States. I consulted Asia; Asia said that it was premature, and they would like to wait. I respected their right to wait, but I think other regions must also have their right not to wait. Accordingly, I presented proposals reflecting these views which would add two new Sub-regional Offices, making it six, quite different from my original proposal at the Conference which was to open 11 new Subregional Offices. So for me this is a progressive process which some of you have been requesting.

Now the second issue I had to deal with was Europe. I went to the Regional Conference for Europe in Riga and I reminded the European countries of the proposal that was made by the Independent Evaluation of Decentralization and I told them that my intention was to have, as a consequence, the Regional and Sub-regional Office for Europe in Budapest. I also said that we had even more reason now to follow that recommendation because, in the meantime, Central Asia had decided to join the Regional Group of Europe.

Now we should simply look at a map to see if it is illogical or rational to have the Regional Office in Budapest serving countries all the way to Kazakhstan, Tajikistan, Kyrgyzstan and Turkmenistan, or we should have it at Headquarters in the middle of the Mediterranean. My Italian friends know very well how much respect I have for the role of their Government, for the support their Government has always given me in everything I have launched. They should have no doubt that what I am proposing is only on conscience, because if there is a country that has supported me it is truly Italy, but I am Director-General of FAO and I do my job to the best of my ability.

And again let us talk about what is at stake. In the Regional Office for Europe, there are nine Professionals and six General Service Staff. Any of the programmes that we are undertaking here in Rome, including the establishment of a Crisis Management Centre, would compensate in Rome Headquarters more than the number of people in that Regional Office. I will give you later on, when I speak about the Shared Services Centre, more details about the number of staff involved in the additional programmes that we are undertaking at Headquarters in Rome.

While these proposals reflected the views of the Regional Conferences and of Ministers of those Regions, the second set of proposals we made reflected the guidance of the Programme and Finance Committees. You may remember, I told you that I did not like some of these proposals, I did not even agree with some of them. The idea that we should cut information activities, the idea that we should cut the activities that are related to the alliances, the NGOs, the private sector and so on which would have made FAO better known, which would have allowed us to get support in the public opinion, I think it was shortsighted. My opinion does not matter; as long as this was the guidance given by the Programme and Finance Committees, I respected it and duly reflected it in the changes that I made in the programme and budget proposals.

That is how we cut the resources for something that I consider so important that I had suggested it to become a Department. Now we have integrated all those activities with cuts in staff in the Division of Information where I have now all the activities of the Ambassador Programme, Telefood etc. with regard to the part related to the Alliance, we have decided that a small team, I think, one Professional and a General Service, will support the ADG and then we will find ways and means to continue to the best of our ability to undertake this activity. We also respected what we were told regarding reinforcing the checks and balances and the control systems in audit administration, finance, including local audits. We changed the resources appropriately.

It may be an opportunity to remind the Member Nations that the priorities of the Organization are reflected in the programme entities, as approved by the Programme and Finance Committee upon

delegation of the Conference. I think we should not confuse the programme entities which set the priorities, and the delivery systems or organizational structure to implement those programmes. In fact we have prepared a one-page note, explaining those issues.

Now, the Shared Services Centre. Again, it was the Conference which said we should cut costs of administration and financial transactions, for the benefit of technical programmes. Because we had invested around US\$50 million in developing a software like Oracle, and in developing HRMS which is the software for Human Resources Management based on the experience of ILO, we were in a position to regroup these administrative operations and put them in a more effective location. Again, I said to the concerned Departments, please study what are the different alternatives and come with a feasibility of the different options. They eliminated different countries including those in my own Continent, Africa. I do not think anybody has any doubt that I like my continent and my country. But when we made the survey we realised that in the present state of development of the telecommunication and the data transfer system on Internet and the cost, it would not be effective. We examined other options, but we could rely on only two technical options to manage the US\$ 760 million of the Organization, because this is also a responsibility, it is not just choosing places for the sake of choosing them. The only two options we had was the option of Rome or Budapest and, because of time differential, Santiago de Chile and Bangkok. There was a difference in cost of US\$ 8 million, so we opted for that option. Again, on what grounds could I have come to you and make another proposal? So this is the basis upon which the proposals were made and we discussed with the Hungarian Government, subject to the decision of the Conference, what would be the conditions if we were to make the transfers, so as to know what would be covered, in costs there, and what would not be covered so we could have a clear idea. The study to us is clear. It is always good to ask for, and we have tried to give more information, but nobody has come with a study proving that what we produced is wrong. So we are obliged to continue to base our judgement on the study made by the technical departments which provided the information. I really think that we have to be consistent.

Now coming to the question of the Independent External Evaluation, I have the text of the Conference Resolution in French/English and it refers to "mutually supportive". "Mutually supportive" does not mean that one is dependent on the other, or one is subservient to the other. Why would the Conference authorize us to make further reform proposals and have an extraordinary Council to examine them, if from the beginning the idea was that, no proposal should be examined before the IEE process was completed.

A French philosopher thought that you cannot want something and do its opposite. If we were authorized to make proposals, to make further reforms and to justify them in the framework of mutually supportive process between the two, it meant that they could be examined and, based on merit, analysed. Now another point that keeps coming, is that we have to wait until we get the results of IEE. Someone pointed out that nowhere was it said that the Sub-regional Offices were a pilot activity. The first Sub-regional Offices were decided in June 1995. We have the Subregional Office for the Caribbean, we have the Subregional Office for North Africa, we have the Subregional Office for Eastern and Southern Africa, and we have the Sub-regional Office for the Pacific. They have been working for the last ten years.

We have to be consistent. We will do whatever you decide, whatever you give us as guidance. You elected us to do a job and we tried to do it under very difficult conditions, because 30 percent of the staff of this Organization was cut during a period at a time when its Membership increased from 169 to 190, and in the last biennium we had a budget cut of US\$ 51 million and in this biennium a budget cut in real terms of US\$ 39 million. The proposal we are making for decentralization, will make us have savings, not increase costs, and we can prove it, in the case of Subregional Offices, and in the case of the Shared Services Centre.

Each of these proposals will allow the Organization to make savings, not increase costs. Some delegations referred to the negative side of the costs of the reform. We have provided the document of what it is costing, but also what we are saving. One of the problems I am having to face because of the increase of the General Services in Rome is that I will have to absorb US\$ 14

million which were not foreseen in the budget. We are counting on the contribution from the Russian Federation for US\$ 7.5, but the difference has to be found, but the working capital fund is empty. We need to pay the staff what we owe them. These are the realities I am facing as your elected Director-General.

When I made the first proposal for reform, I reminded you that it was in reaction to a statement made by the Minister for Development Cooperation of Norway at the CEB, where she explained that the major donor countries wanted change and reform in the UN System, and that those who would not reform, those who would not change would be sidelined. Therefore I thought we had to move. At least we achieve something: before we were criticised for being conservative, for not moving, now we are criticised for moving too fast.

Now the question of the report of the UN Secretary-General's High-Level Panel on UN System-wide Coherence. We have participated in this process and we have examined its conclusions in the CEB, which was the last meeting chaired by Secretary General Annan. At the same time, we have to recognize that this is a report of a high-level team of very respected personalities, but it is not yet a decision of the Membership of the UN in New York. This proposal has to be examined, discussed and negotiated. In the same process, FAO's Independent External Evaluation Report will also be negotiated by the Membership. There will be comments of the Secretariat which will go with the Report to the Membership for discussion and negotiation. I do not know what will be there, but I do know that I have to cut US\$ 39 million plus US\$ 14 million of increase in the staff costs of the General Services. These are realities, these are facts.

Again, whatever decision you take, I will follow. If you ask me to do things that might increase costs, you need to tell me where to get the money from or what I should be cutting. The proposals I am making under the reforms for decentralization, the Share Service Centre etc will allow me to make savings. You all did read the fact, I am sure, that General Services staff cost three times more in Rome than in Budapest. You also know that in the proposal I negotiated for each Sub-regional Office, the host countries are providing local staff and they are paying for it. If we would not be having all those things, how will we pay for it? I fail to see any study saying these calculations are wrong. Naturally I did not do the calculations myself, I asked the relevant services to make the surveys and bring them to me and I drew the conclusions from the studies they brought to me.

There are a number of details I do not want to get into. I am sure that the experienced staff in PBE could give detailed explanations that we have not left out anything, but we have less resources to do certain things. We have to work within these frameworks.

#### **CHAIRMAN**

Thank you Director-General, we had interpretation time until 20.30, unfortunately we are close to 21.00 and the interpreters are really tired, and I am sure you all are tired as well and I do not know how much your responses to the questions will take, can you manage it ten minutes or we can postpone it for tomorrow?

#### **Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

I will restrict my answers then to only the broader observations and questions that have been raised.

The Representative of Cuba speaking on behalf of GRULAC, implied that eliminating certain departments might be tantamount to eliminating the work in the Organization. In fact the Director-General has already said that the priorities of FAO are reflected in the new programme entities that were approved by the Programme and Finance Committees in May 2006, under a new chapter structure that was approved by the Conference in its 2005 resolution. It was then that the programme entities were reduced from 261 to 186. There had been a substantial consolidation in the work of the Organization and a better focussing on the priorities of the Organization which were approved by the Programme and Finance Committees, including emphasis on interdisciplinary work within the programme entities.

Now perhaps it would have been a more holistic approach to consider the organizational structure at the same time, because it is actually through the organizational restructuring that we will improve the mechanisms to deliver the programme entities that were approved in May 2006. Of course, the decision on organizational restructuring however, is a decision of the Council.

The Representative of the Philippines, referred to the organizational restructuring as perhaps one that has not really caused underlying changes and I suspect that this is because we are now reviewing the organizational changes more in isolation from the programme entities that were reviewed a few months ago. But taking his example of Fisheries and the emphasis on aquaculture, I must stress that it is not simply a change in the departmental title. If we were to go back to the underlying programme entities, one would see that there are ten substantive programme entities of the Fisheries Department; of those ten, there are two now that are devoted exclusively to aquaculture; on top of that, four have significant outputs that are related to aquaculture. So it reflects prioritization and refocusing given the increasing importance of aquaculture in that sector.

The Representative of Finland, in making the statement of the European Union, I quote: "expressed deep concern on the reduction of the critical mass of expertise at Headquarters". I do think this requires some elaboration.

I would like to refer to Table 18 of document CL 131/18 and in the English version, it comes on page 59, that is after paragraph 267. Table 18 summarizes the evolution of posts between the revised PWB and the Director-General's further proposals. Now I should remind you that the revised PWB 2006-07 has already been approved by the Governing Bodies. The underlying staffing has already been approved by the Governing Bodies, and what we are referring to in terms of further decisions from the Council is the further proposals which are summarized in Table 18. What one sees in this Table, in response to the question posed by Finland, is that the Headquarters reductions in Professional posts amount to 28 Professional and Director level posts. Out of those 28, the Director-General has already referred to a reduction of nine posts that would be on account of the proposed transfer of the Regional Office for Europe. On top of that, there is a reduction of seven Professional posts on account of the proposals on the Shared Services Centre.

There are, furthermore, two other reductions due to streamlining actions that have been reported in the document and there are six reductions that are simply due to out posting of Investment Centre staff from Headquarters to decentralized locations, where it would be more effective in terms of delivery systems for the staff to carry out their services. Now that leaves a net remaining reduction of 4 posts in Headquarters, so in response to the critical mass question, the package of further reform proposals entails a net reduction after those other items that I have already explained, a net reduction in "critical mass" of four posts at Headquarters, out of 891 Professional posts funded by the Regular Programme at Headquarters.

By way of comparison, there were 59 Professional posts reductions at Headquarters that had to be undertaken as a result of the US\$ 51 million real reduction of budget in 2004-05, 59 compared with 4. I suppose what I am surmising is that the concern regarding the reduction in "critical mass" at Headquarters, is more a function of the Governing Bodies decisions to reduce the real level of the budget than the further reform proposals.

There were a number of interventions made on voluntary contributions and one time costs. The cost and funding is provided in the documentation and for your information, I could refer to Table 6 just after paragraph 166 of the document. On funding, Members have referred to US\$ 3.3 million one time costs that would have to be identified from savings flowing from staff vacancies and non staff provisions.

Similarly, in paragraph 278, there is at stake US\$ 500,000 in one time cost that would have to be funded from staff savings and reductions in non staff provisions. All this, I might add, is part of the US\$ 27 million of unbudgeted costs that Members have been quoting yesterday and this morning.

Now part of these one time costs, it must be emphasized, are due to the US\$39 million reductions in real terms that have been imposed in 2006-07. What I am saying is that part of these one time



costs would have to be incurred in any case and the table in the document shows that US\$ 2.1 million is due to separation costs purely because of the budget level.

There are other actions, which as the Director-General has said, clearly achieve savings, for example, the Shared Services Centre. It requires an investment of US\$ 3.4 million. The representatives from Australia and Japan, for example, have supported that proposal and presumably this was done on the basis of a return on investment - US\$ 3.4 million of one time costs versus US\$ 8 million a biennium of savings.

I might also add on the nature of these costs that the majority fall under two areas. One is termination costs. Termination costs are not new in the Organization. In 1998-1999 the Organization incurred US\$ 12 million in termination costs, in 2000-01 US\$ 9 million. Even in 2004-2005, as you had opportunity to see in the Annual Report on Budgetary Performance, US\$ 4.1 million of redeployment and termination costs were incurred under the Regular Programme. Now the order of magnitude of one time costs as regards termination in the proposals before you are very much the same as 2004-05 and therefore, to that extent, there should be no major surprise.

The other major element of one time costs is training costs, especially for decentralized offices. Time and time again, the Governing Bodies have stressed the need for adequate provision of training. The Independent Evaluation on Decentralization also made that point and this is simply shown as part of the one time costs of implementing phase one of the reforms.

Most of the remaining costs that are defined as one time costs are in the nature of capital expenditure for equipment and the like, but I must stress that those costs are covered by host countries in the negotiations that have been concluded, and that would be concluded should the next phase be approved.

What I should like to stress is that the one time costs should be appraised on the basis of the expected benefits, as the Director-General mentioned. In fact, the benefits are provided in Table 21 of the document that is after paragraph 296 of the document. Reforms as the Director-General stressed, realized savings. They are very substantial as you can see from Table 21 of the document. They run into tens of millions of dollars. As the Director-General stressed, they are applied to priority areas which you, Member Nations, have requested – IPPC, Codex, the International Treaty on Plant Genetic Resources for Food and Agriculture, internal controls - and I could go on - and the application of these savings is also provided in the documentation in Table 22 which appears after paragraph 297.

The Representative of Nigeria commented that there could be an opportunity cost of not acting now on the further reform proposals. In fact, this comment is echoed in paragraph 9 of the Inception Report of the Independent External Evaluation. There is indeed a net financial cost of not proceeding and that financial cost can be seen from Table 22 of the documentation.

Several delegates have referred to phase one of the decentralization as a pilot exercise and the Director-General commented on that. In fact, some delegates have also mentioned that there is a need for the IEE to review this experience. It must be recalled that the substantive work of the IEE will stop in early 2007. It seems logical therefore to conclude that the IEE will simply not be able to evaluate the "pilots" of phase one of decentralization.

Several speakers have referred to the decentralization evaluation. This evaluation was the most discussed high profile independent evaluation that FAO has had conducted to date. Three Sessions of the Programme Committee, three Sessions of the Finance Committee and three sessions of the Council reviewed it. I should like to recall what the Council concluded in November 2005 in CL 129/Rep in paragraph 32. I quote:

"The Council shared the Committee's satisfaction with the management response." In paragraph 31 it also noted that the recommendations of the Independent Evaluation of Decentralization were reflected in the Director-General's reform proposals.

What I should like to do very briefly in two minutes is to contemplate also how the further proposals have been informed by the evidence that was already provided in the Independent Evaluation of Decentralization. The Director-General has already referred to the proposed move of the Regional Office for Europe and its relation to the evaluation's recommendations.

The MSU structure of the Regional Offices was also considered by the Independent Evaluation of Decentralization and, in fact, I should like to recall that when the Finance Committee reviewed the matter in May 2006, I quote paragraph 55 of CL 131/9:

"The Committee also acknowledged that the Secretariat would need to consider proposals for the consolidation for the Regional Office MSUs into the Shared Services Centre in the context of recommendations made by the Independent Evaluation of Decentralization and of the Secretariat's assessment of the best course of action."

This is precisely what the Secretariat did after May 2006 in presenting its proposals to the Programme and Finance Committees in September and, of course, you would recall that both the Programme and the Finance Committee confirmed that the proposals from the Secretariat were in line with the spirit of the guidance previously provided by the Governing Bodies.

Also on the decentralization evaluation, concerning the Sub-regional Offices many speakers have supported the proposed Subregional Offices and I would like to dwell on Central America as this was covered in the Independent Evaluation of Decentralization. Paragraph 75 of that evaluation noted that for Central America countries reported no benefit from increased decentralization of staff. Paragraph 165 of the Independent Evaluation of Decentralization, in appraising questionnaires that were sent by the evaluation team and country visits that they carried out, highlights the limited satisfaction in Central America of services rendered by the Organization.

Recommendation 16 of the Independent Evaluation of Decentralization is quite specific, it says, and I quote:

"For Central America... a technical group... should be considered, preferably sited in Central America."

The point that I am making is that one can see the linkage between the Independent Evaluation of Decentralization and the further reform proposals.

Finally, I took note of the EU statement with regard to the restructuring of the existing departments at headquarters, and I quote:

"The restructuring of the existing departments within FAO seem to bring more clarity in the division of work".

That is precisely the thrust of the Director-General's proposals *vis-à-vis* headquarters restructuring.

**Khalid MEHBOOB, (Assistant Director-General, Administration and Finance Department)**

I will be very brief, it is just to give the Members information further to a comment which the Director-General made when he referred to the transfer of the Regional Office for Europe from Rome to Budapest. He mentioned that it was a transfer involving nine Professional staff. The General Service staff are locally recruited so they would not be transferred. He mentioned that there were other projects coming into Rome and they have significant staffing, for example, the major normative projects executed from Headquarters involve 126 staff members and 58 consultants. There is a further collection of emergency projects being executed from Headquarters and the staffing there is 95 people.

So overall there is a significant increase in staffing and budgetary figures to be executed from Headquarters for normative projects and emergency projects.

**CHAIRMAN**

Thank you, with apology to the interpreters. I know that you are extremely tired and I will take only five minutes to finalize the meeting of today.

Firstly, I have carefully listened to your rich debate and taken note of your points on the statements and responses from the Director-General and Secretariat. I consider it extremely sincere and useful.

Secondly, I want to have clear answers to questions before us – positive or negative. Not to postpone any of the four or five issues which we have dealt with during the last year to the future, simply because it is not of the interest of our Organization.

Thirdly, I do not want to resolve the problem by vote as far as, and as much as, possible. I want to reach answers by more consultation and cooperation in this very same session of our Council.

Fourthly, according to my judgement, the trend of discussion today was very much in favour of the reform proposal, how to go for the resolution. From tomorrow morning informal contacts and consultations will start. If it fails, I have to decide on other modalities, a range from informal meetings to God forbidden vote.

Fifth, I hope the Director-General's and Secretariat's response and replies to your questions today have paved the road to more agreement, understanding and unity. From tomorrow morning I am at your disposal to have informal discussions - I cannot reach you all but you can reach me. Please come to me individually, in groups, in Regional Groups. We have only three days left and by Friday morning we have to have answers to all questions, so please reflect on all the discussions today and also think about 855 million people hungry waiting for our decision.

Thank you very much. See you tomorrow.

***The meeting rose at 21.10 hours***

***La séance est levée à 21 h 10***

***Se levanta la sesión a las 21.10 horas***



# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**FIFTH PLENARY MEETING  
Cinquième séance plénière  
QUINTA SESIÓN PLENARIA**

**22 November 2006**

### **III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS (continued)**

#### **III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION (suite)**

#### **III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS (continuación)**

#### **9. Implementation of Conference Decisions on Reforms and Proposals from the Director- General (CL 131/18) (continued)**

#### **9. Application des décisions de la Conférence sur la Réforme et propositions du Directeur général (CL 131/18) (suite)**

#### **9. Aplicación de las decisiones de la Conferencia sobre las reformas y propuestas del Director General (CL 131/18) (continuación)**

#### **CHAIRMAN**

We have still not concluded the debate on Item 9 that we had yesterday. Although we had a fruitful and extensive debate on the item, the Director-General wanted to say something about the UN High Level Panel and has some other points to share with you, so we will still continue on Item 9 and I invite the Director-General to take the floor.

#### **DIRECTOR-GENERAL**

First let me say, in reference to the request of the Ambassador of the Dominican Republic, I have asked that the letter from the Prime Minister of Spain, Mr José Luis Rodríguez Zapatero, be distributed.

I have also requested that the letter of Burundi, requesting officially not to be part of the region of Central Africa but of East Africa be also distributed to explain why we did not include them in that Subregion. I have also asked that the note on the criteria and the responses on how to select the site of the Subregional Office be also distributed.

I would like to just give some information on the Report of the UN Secretary-General High Level Panel on UN System-wide Coherence in the areas of Development, Humanitarian Assistance and the Environment. In February 2006, in response to the 2005 World Food Summit Outcome document, the UN Secretary-General established a High Level Panel on UN Systemwide Coherence in the areas of Development, Humanitarian Assistance and the Environment. The Panel was composed of 15 members, two ex-officials, including three co-chairs, Her Excellency, Ms Luísa Dias Diogo, Prime Minister of Mozambique, His Excellency Mr Jens Stoltenberg, Prime Minister of Norway and His Excellency Shaukat Aziz, Prime Minister of Pakistan.

The FAO Secretariat participated in a number of Consultations during the preparation of the Report of the High Level Panel, and I participated in the discussions on the near-final draft of the Report at the UN systems Chief Executive Board (CEB) at the end of October 2006.

The Consultations in which FAO participated included meeting of the UN System Chief Executive Board, which I attended personally, from 7 to 8 April 2006 in Segovia, Spain; the Consultation for Environment from 4 to 5 May 2006 in Nairobi; the Regional Consultation for Africa from 8 to 9 May in Maputo; the Consultation on the Resident Coordinator System on 15 May in Vienna; the Consultation on Transition from Relief to Development on 19 May in Rome; the meeting with Executive Heads of UN Rome based Agencies, which I attended personally on 20 May in Rome, the Regional Consultation for Asia from 14 to 25 May in Islamabad; and 1 June again in Islamabad; the Regional Consultation for Arab States on 20 and 21 June in Cairo; the Dialogue with ECOSOC on 4 July in Geneva; and the Regional Consultation for Latin America and the Caribbean on 28-29 July in Bridgetown.

The Report of the Panel, Delivering as One, was formally submitted to the Secretary-General and launched by him on 9 November 2006 at an informal meeting of the UN General Assembly. So

far, the Report has been issued in English only and is in the process of being translated into the other UN official languages.

**Main recommendations:** the main objective of the report is to strengthen the UN System's capacity to respond to the changing context in which the system works and to address a perceived major witness, fragmentation, which has limited the system's effectiveness in supporting Member Countries. Some of the Report's main recommendations include:

**In the area of Development:** the UN deliver as one at country level with one leader, one programme, one budget and, where appropriate, one office. It is recommended that 5 UN country programme pilots be operational by 2007. It is suggested that the Secretary-General designate the UNDP Administrator as the UN Development Coordinator with responsibility for the performance and accountability of the UN Development Activities. UN Country Teams should have an integrated capacity to provide a coherent approach to cross-cutting issues, including sustainable development, gender equality and human rights.

**In Humanitarian Assistance:** it was recommended that: there be closer partnership arrangements among the UN, Government and NGOs; the Central Emergency Response Fund, be fully funded; there be clear leadership by UNDP on early recovery from conflict and national disasters. That National development strategies and donors invest more in risk reduction and early warning, building on existing international initiatives.

**On Environment:** it was recommended that the system of international environmental governance be strengthened and more coherent with an upgraded UN Environment Programme having real authority at the UN's environment policy pillar. That there be a strong partnership between UNEP, (normative) and UNDP (operational) and a sharper focus on the environment by the Resident Coordinator System at country level.

**On cross-cutting issues:** the Panel called for: ECOSOC to establish a sustainable development segment and continuing reform of the Commission on Sustainable Development; the creation of a new UN entity on gender equality and women's empowerment consolidating the three existing institutions and responsible for mobilizing change at the global level and inspiring and enhance results at country level; and clarification of human rights responsibilities within the UN System. The Office of the High Commission on Human Rights to work with or through, the Resident coordinator and the UN Country Team to promote human rights and strengthen capacities of governments, relevant institutions, civil society and individuals.

**On Governance:** the Report proposed the creation of a number of new mechanisms:

(a) At intergovernmental level:

(1) a Global Leader Forum for strategic guidance on sustainable development policy and global public goods.

(2) a Sustainable Development Board to endorse "One" country programmes and approve related allocations, maintain a strategic overview of the system to drive coordination and joint planning between fund programmes and agencies; review the implementation of global analytical and normative work related to the "One" programme at country level; oversee the management of an MDG funding mechanism; review the performance of the Resident Coordinator System; consider and comment on the implementation of the strategic plans of funds, programmes and Specialized Agencies; and to prepare a periodic review of "One" country programmes and consider and act on independent evaluation, risk management and audit findings.

(b) At Regional level, the Panel recommended UN entities at regional level to be reconfigured around

(1) analytic and normative work catalyzed by the UN Regional Commissions and

(2) coordination of servicing by UN Country Teams, catalyzed by UNDP. It was recommended that Regional Offices of UN Entities be co-located and the definition of regions standardized.

(c) At the Organizational level, it was recommended that:

(1) the UN Chief's Executive Board improve its decision-making on overall reform and effectively drive managerial reform;

(2) a Development Policy and Operations Group be created to act as the Central Coordination Mechanism for the UN's development work at country level. The Panel proposes that the UNDP Administrator chair the Group, that it have an Executive Committee and be supported by Development Finance and Performance Review Unit, which would assist the UN Sustainable Development Board with strategic financial planning and allocation for country, regional and global work; and

(3) provide a common internal audit system as well as annual performance and financial reports for all UN sustainable development activities.

On Funding: it is proposed that:

(1) the five pilots of the "One" UN at country level be initially funded by pooled funding through a country level MDG strategy support fund, administered by the Resident Coordinator. In principle, funding from all sources for "One" country programmes should flow through the country funds.

(2) following the pilots, an MDG funding mechanism be established to coordinate overall resource flows, enabling global oversight. The Sustainable Development Bureau would govern the mechanism and the UNDP Administrator, as the development coordinator would supervise it.

(3) reform savings be channelled back into the system through mechanisms such as the Environment Fund.

On Business Practices: it is recommended that business practices on accounting standards, enterprise resource planning standards, results based management and system-wide security management be harmonized; the UN system wide independent evaluation mechanism be established by 2008 to monitor how system-wide goals are delivered; and human resources policies and practices be updated and harmonized.

On Follow Up: the Panel recommended that the Secretary General appoint a senior member of his staff and provide necessary resources to form a senior change management team to track implementation. The Panel also recommended that the Secretary General establish an independent task force to:

Firstly, clearly delineate the roles of the UN and its Funds Programme and Specialized Agencies;

Secondly, review the assess funding required by UN Specialized Agencies;

Thirdly, review the functioning and continuing relevance of existing regional structures in addressing regional needs.

Next Steps: several weeks after the launch, the Secretary-General will formally transmit the Report with his own assessment and comments to the President of the General Assembly. The Report will also be transmitted to the incoming Secretary-General. The Secretary-General indicated at the launch that he will suggest ways for Member Nations to consider and implement the recommendations.

On this occasion, the Secretary-General suggested to move forward on the following recommendations of the Panel: the establishment of five pilot "One" country programmes by 2007, indicating that a few countries, including Vietnam, had volunteered to participate in the pilot, the creation of a gender agency; and harmonization of business practices of the UN System.



At this time, there are only informal indications of what the Secretary-General may wish to suggest and what the General Assembly may decide, with regard to a process for consideration of the Report. As further information becomes available, the FAO Secretariat shall not fail to keep its Governing Bodies informed, particularly, where there are implications for UN Specialized Agencies.

Thank you for allowing me to present this note on the Report of the High-Level Panel.

Another issue, we are having discussions in the Organization on the need to have a seminar that would allow us to organize informal discussion on a vision of the Organization in key issues and areas and what strategies are being implemented. We see, because of diplomatic life, a lot of changes in the different representations of Member Nations and we do not always have the institutional memory to be able to see where the different actions fit, for what, with what rationale, with what sequence and to which extent different projects and programmes and activities of the Organization are geared towards specific goals as decided by the Governing Bodies and within the mandate of the Organization.

We therefore think that Ambassadors and Permanent Representatives, but also from capitals personalities with responsibility on strategy planning on policies, could participate together with the Assistant Director-Generals and the Directors of FAO in an informal discussion. This would be in a framework of a Seminar that might allow us to get a better understanding of the issues and of the different challenges that we are facing to achieve fundamental goals, in particular the goal of cutting by half the number of hungry people by the year 2015. We are planning to have this Seminar on the 23 January from 09:00 to 13:00, but it will be very informal and it will not be recorded, so people will be free to express their own views and their own opinions.

#### **CHAIRMAN**

Thank you for sharing these additional and new information with the Members of the Council and the Membership as a whole, now I would like to open the floor, if any delegation has any question or comment on the issues which were raised by the Director-General.

#### **Abdul Razak AYAZI (Observer for Afghanistan)**

Director-General thank you for telling us that there will be a Seminar on 23 January. I was wondering if 09:00 to 13:00 would be adequate time for the Seminar, because the issues are very complex and I hope that you will consider if the Seminar is for the whole day.

#### **CHAIRMAN**

I pass the floor to the Director-General to answer the question.

#### **DIRECTOR-GENERAL**

I think this is a very good suggestion and I certainly would be very pleased to consider the whole day for the discussions.

#### **10. Progress on the Independent External Evaluation (IEE) of FAO (CL 131/3)**

#### **10. État d'avancement de l'Évaluation externe indépendante de la FAO (CL 131/3)**

#### **10. Progresos en la evaluación externa independiente (EEI) de la FAO (CL 131/3)**

#### **CHAIRMAN**

Any other questions or comments? I do not see any, so we once again thank you Director-General for sharing the information with us.

Now we move to Item 10 on our Agenda document CL 131/3 Progress on the Independent External Evaluation of FAO.

I have pleasure in inviting the Chair of the Council Committee for the Independent External Evaluation of FAO to introduce the Committee's Report, in doing so, I wish to thank all the Members of the Committee who have worked so hard to initiate the Evaluation on such a firm

footing, in particular, I would like to thank former Ambassador Perri, as for us he is always the Ambassador.

I also would like to thank Ambassador Bettini who chaired the Working Group on that bureau. I have followed the progress of the IEE carefully, despite the very unfortunate need to change team leader as a result of Mr Bezanson's ill health, I note that the evaluation work programme remains fully on track and we have been able to find a new highly-qualified team leader in the person of Mr Christoffersen.

I also note that Mr Christoffersen has chosen to continue Mr Bezanson as a Member of the Core Evaluation Team to the extent that his health permits. Unfortunately, Mr Christoffersen cannot be with us today but another Member of the Core Team is here, Mr Pérez del Castillo. If there are any questions which require direct clarification from the Evaluation Team itself, Mr Pérez del Castillo can answer the questions.

With this I would like to invite Ambassador Perri to take the floor and introduce the item.

**Flávio PERRI (Chairman, Council Committee for the Independent External Evaluation)**

First of all let me greet you all, I see here many friends and I feel at home, it is good to be back with you again after what has so far been only a short break in London.

I have the greatest pleasure in presenting to you our first Progress Report on the Independent External Evaluation of FAO (IEE). In doing so, I note that most of you have been involved in the meetings of the Council Committee, which is an open Committee with core Membership from each of the regions. As you can see from the Report, our evaluation and I stress here the word our evaluation, because it belongs to our Organization and to each of the Members who participated in the work of the Committee.

Our evaluation is making good progress, we were able to recruit a very competent Core Team of five evaluation specialists which in addition to the Team Leader, cover respectively, the technical work of FAO Governance, FAO's Role in the Multilateral System and Management and Administration.

Work got underway in March of this year and were able to approve an Inception Report by the Evaluation Team in May. Since then, as described in their Progress Report, members of the Core Team have recruited supporting consultants and undertaking extensive discussions in Rome and Member Nations. The Inception Report and Progress Report from Annexes 3 and 4 of the Council Committee's Progress Report to the Council, as you know we were all distressed that the health of the first Team Leader for the IEE, Mr Bezanson did not permit him to carry on the work. We were also glad to hear that there has been some improvement in his condition, and he is continuing as a Member of the Core Team. We were very fortunate in being able to appoint following further open selection process Mr Christoffersen from Norway as Team Leader, and the Committee is convinced that he will carry the evaluation crew to a conclusion on schedule. Acting with the advice of the quality assurance advisers, the Committee is convinced that to date the evaluation is moving in the right direction, and this on schedule.

Our thanks go to the Evaluation Team for all the hard work you have been doing and that they have been putting in, also thanks to FAO which has cooperated very fully in the conduct of the evaluation.

Under the able Chairmanship of Ambassador Bettini from Italy, an informal Working Group on the Bureau for the CC-IEE has been assuring the assembly of resources of Members to cover the full budget of the IEE. Today we have assembled all but US\$ 240 000 of the regional budgetary requirement of US\$ 3.45 million. Contributions have come from many Members, including some in Africa and Asia and this is very encouraging. Unfortunately, as a result of having had to change the team leader, there is a need for up to an additional US\$ 380 000; so US\$ 620 000 remains to be mobilized.

I would like to draw Members' attention to paragraph 15 of our Report, which refers also to the Friends of the Chair's proposal, which has been commented upon by the Independent Chairperson of the Council. If you allow me, I will repeat that paragraph which the Council may wish to reflect in its Report, and I quote:

"The Committee of the Council for the IEE considers that the IEE is proceeding well and in a timely, transparent and impartial manner, in line with its terms of reference as approved by the Council and Conference. It invites the Council to join it in expressing its appreciation to the Evaluation Team for their work, thanking the outgoing Team Leader, Mr Bezanson and welcoming the new Team Leader, Mr Christoffersen. It also invites the Council to:

(a) take note of the additional suggested budgetary requirements to cover unforeseen costs of US\$ 380 000 and urge an additional effort by Members to cover the remaining budgetary shortfall;

(b) invite its Independent Chairperson to informally convene as he considers necessary, between Council Sessions, Friends of the Chair to discuss issues pertaining to follow-up to the IEE in preparation for Council Sessions. Meetings of the Friends of the Chair would be open to all members of the Organization with a core group of representatives per region."

That was paragraph 15 of the Report of the IEE Council Committee.

Now allow me to make a brief intervention on my personal situation. I am no longer the Permanent Representative of Brazil to FAO. It has been four and a half years which has given me, not only the honour to represent my country, but the pleasure to be with you all this time and work in a very positive way with all of you. My experience started with the G77, to which I belong. It was with greatest honour that I received from the G77 the task of being their coordinator for the issue of the IEE at the very inception of the process. Then, following this process, I was honoured with the selection by you, the Council, as the President of the ISWG, the Inter-Sessional Working Group, who prepared not only the terms of reference but mandate terms of reference for the Core Team; the mandate for the Committee of the Council in charge of supervising and overseeing the quality of the work by the Core Team Leaders; the timeliness of its presentation and, the point, their financial needs and financial contributions by countries.

It was an honour to have this task; it has been a very interesting job. I think I have learnt with you much more than any other experience I have had in my life. Therefore, I thank you very much for your support, for your leadership, because only the leadership of each participant enabled us to arrive at this first Report. It is only the first Report. But with the first Report we added a suggestion to this Council which is to invite the Council to decide on the Friends of the Chair mechanism in order to offer the Organization an opportunity to arrive at consensual solutions for its present situation of some difficulties and divisions on different points of view.

I do think, that this kind of mechanism will allow you to make full use of your powers, your duties, of your *raison d'être*, which is to promote consensus and to avoid any kind of disruptive action which could, in a way, make our Organization less important and less effective. Let us work for the consensus under your leadership.

I wish you all the success. Of course, I will be prepared to work with you when you need me and in the capacity that you decide. I am available for your work. London is not far from here and I am prepared to come and talk, and I think I would like to do so.

## **CHAIRMAN**

As you all know, we, the Council, appointed Ambassador Perri in his personal capacity to Chair the CC-IEE. Since then, he has worked untiringly to bring the IEE to the position it is at now. I think all of you will join me in expressing your appreciation to Ambassador Perri and in hoping that his Government will allow and encourage him to go ahead and bring this task to a conclusion, commuting from his new base in London.

We very much appreciate his readiness and expression of cooperation with IEE and I am sure that you will consider that.

I also remind you that Ambassador Perri invited the Council to pay attention to two other points. One is the financial situation of the IEE, which I have good news on. Just two days' ago I received a letter from a friendly country from the Near East saying that they are contributing US\$ 100 000 to the budget of the IEE, which is good news. I think the name of the country will be announced, as it is proper, later on.

The other point was the establishment of Friends of the Chair to bring their findings of the IEE in a timely manner to the next Conference. I am sure that you are all aware of that and you will respond as you wish.

The floor is open for your comments and considerations. I will start with the Distinguished Representative of Cuba.

**Carlos ALFARO ALFARO (Cuba)**

Solicitamos la palabra para pedir a la Presidencia que permita al distinguido Embajador de la República Dominicana, coordinador del tema para el GRULAC y para el G77 que pueda intervenir.

**Mario ARVELO CAAMAÑO (Observador de la República Dominicana)**

Intervengo en mi condición de coordinador de asuntos relativos a la Evaluación Externa Independiente para el GRULAC y para el Grupo de los 77.

Todos nosotros ejercemos el oficio de la diplomacia multilateral. Es una hermosa profesión que nos permite proteger y promover los intereses particulares, no sólo de nuestros países y regiones, sino también y es de crucial importancia, la diplomacia multilateral nos une para buscar y encontrar maneras de construir un mundo mejor. Cuando en ese contexto uno de nosotros preside un comité o un grupo de trabajo, utilizamos un lenguaje que es peculiar a nosotros y que incluye frases tales como por ejemplo: *todos tenemos la capacidad para hacer este trabajo y hacerlo bien*. Esto es verdad. También es verdad que el Embajador Flavio Perri, asistido por un magnífico equipo de trabajo en la Misión Permanente de Brasil, ha sido un capitán perfecto para este barco. Ha sido firme y flexible cuando la firmeza y la flexibilidad han sido necesarias para continuar el avance de ese barco a puerto seguro.

Deseo aprovechar esta ocasión, para felicitar al Embajador Perri por este extraordinario trabajo que ha venido haciendo. Deseo también mencionar al Sr. John Markie y a su magnífico equipo en el Secretariado por el apoyo que han venido dando al Comité Especial sobre la Evaluación Externa.

Le diré además que el G 77 y sus grupos regionales brindaron su apoyo a este ejercicio desde su inicio. El apoyo político del G 77 al proceso de la evaluación externa fue crucial para su lanzamiento y puedo asegurarle que el G 77 continuará brindando su apoyo a este proceso hasta su conclusión. Este apoyo no es solamente basado en las realidades políticas que envuelven a la evaluación sino también la firme convicción de que el trabajo no sólo ya desde el punto de vista político, por supuesto, sino también desde el punto de mira técnico, merece, reclama, exige y necesita del apoyo de todos los Estados Miembros de esta Organización. Trabajamos muy de cerca con el Dr. Keith Bezanson, lamentamos enormemente los problemas de salud que ha debido enfrentar, nos congratulamos que continuará trabajando en este proceso según su salud lo permita y, por supuesto, damos la bienvenida al Dr. Leif Christoffersen digno sucesor del Sr. Bezanson a la cabeza de un equipo compuesto por excelentes profesionales. Tenemos la presencia de uno de ellos, el Embajador Carlos Pérez del Castillo.

Estamos también seguros de que el Grupo de Trabajo sobre Financiación, hábilmente presidido por otro querido amigo el Embajador Aldo Bettini, logrará cubrir las contribuciones que hacen falta hasta saldar el déficit que aún presenta la hoja de contribuciones.

Ayer en una intervención que hice sobre otro tema, mencioné el riesgo de que la Evaluación Externa Independiente se convirtiese en el centro de la atención de los Estados Miembros echando a un lado la consideración de las reformas de la FAO, consideración que ha de ser basada, como han dicho otros oradores, en los méritos de tales propuestas y recordando siempre que las propuestas y la evaluación deben apoyarse mutuamente según decidieran los Estados Miembros en la pasada Conferencia.

Deseo ahora llamar la atención sobre otro riesgo, y es el de que las negociaciones en que nos veremos envueltos para analizar las conclusiones e implementar las recomendaciones sean extremadamente duras. Sin embargo, el Comité del Consejo, el Embajador Perri que lo preside, y todos los Estados Miembros, estamos de acuerdo en someter al Consejo las propuestas que aparecen en el párrafo 15 del documento CL 131/3; es decir, la propuesta de que los Amigos del Presidente puedan reunirse bajo sus orientaciones y, conociendo sus extraordinarias capacidades de negociación y de construcción de puentes entre posiciones divergentes, eliminen este riesgo y concluyan llevando estas negociaciones con la misma fluidez con que hemos hecho las que nos han llevado hasta el día de hoy para que la Evaluación Externa pueda ser lo que quisimos desde el principio: una herramienta que nos permita conocer aún mejor esta gran Organización y poder llevar los resultados de su mandato a la realidad concreta. Cumplir la misión que los pobres de nuestros países nos han encomendado: hacer de la FAO un instrumento cada vez más sólido, cada vez más eficiente, cada vez más eficaz para, esperamos lo antes posible, acabar con las plagas del hambre y la malnutrición.

**Nobuhiko KAHŌ (Japan)**

The Japanese delegation would like to make a brief comment on the progress of the Independent External Evaluation (IEE) of FAO.

Japan considers the Independent External Evaluation to be a very important work for the reform of FAO. My delegation is satisfied with the progress of IEE to date and appreciates the efforts made up to now by the Core Team and other members.

In this regard, I would like to mention that the Government of Japan has decided to contribute US\$300 thousand to the work of IEE. Japan expects the work of IEE to make steady progress and achieve successful completion in a timely manner.

Last, but not least, I would like to say that the Japanese delegation highly appreciates the excellent efforts of Ambassador Perri, as a Chairperson of CC-IEE.

**Ms Heidi PIHLATIE (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

The EU can fully agree with the CC-IEE Progress Report on the activities so far. The evaluation work has been conducted professionally, in accordance with the agreed Terms of Reference and timetable. The work was realized in spite of the very regrettable fact that Dr Bezanson, whose contribution and dedication we all respected very much, had to withdraw from his duties as team leader. The CC-IEE was, however, able to identify and equally able professional to replace him. We give our full support to Mr. Christoffersen and wish him the best luck in the work ahead.

The CC-IEE has repeatedly emphasized the importance of independence, impartiality and transparency of the evaluation process. They must remain the leading principles throughout the entire process. It is the one single most important matter on which all the work must be based.

In general, the EU appreciates the process the CC-IEE has been able to launch. This has greatly contributed to the confidence and consensus-building among FAO Members. The sometimes lengthy discussions and exchange of views have also helped to understand the opinion of each other better and to deepen our common ownership of the IEE. This is a matter which can greatly

help to create a more solid basis for the demanding tasks ahead of us in 2007, when we have to assess the outcome and recommendations of the IEE.

In this connection, we would like to express special thanks to the Chair of the CC-IEE, Ambassador Perri, for his excellent work, his skilful guidance and wise mediation at all times.

The EU takes note of the additional budgetary requirements of the IEE, which must be limited to US\$380 000 and encourages all Member States to consider possibilities to contribute financially towards this common goal.

The EU gives its full support to the proposal to establish a Friends of the Chair Group, the task of which would be to facilitate the discussion related to the IEE results and recommendations. This arrangement would allow us to familiarize ourselves with the actual substance of the IEE, based on the forthcoming April and July Reports, and help us to be in a better position to give our informed opinion and advice to the Council and Conference next year. This process would also contribute towards and increased ownership of the IEE among the Membership as a whole.

The role of the representative of the Secretariat in the Group should be to inform of the responses and views of the management on the IEE outputs. The process should be open to all Members, even though each regional group would nominate its representatives to the Core Group of the Friends of the Chair.

#### **Elías REYES BRAVO (México)**

El tema de la Evaluación Externa Independiente es relevante en la medida que afecta al organismo internacional especializado en agricultura y alimentación de las Naciones Unidas, el más grande del mundo en esta materia. Esto que pareciera tan obvio requiere una atención cuidadosa ya que el devenir de la FAO ocupa un tiempo considerable, 61 años, y ha experimentado diversos cambios y reestructuraciones anteriores por lo que un análisis integral de la misma entraña una complejidad suficiente como para ocuparse de ella de manera parcial o desarticulada. Por otra parte, habría que tener presente la naturaleza intergubernamental de la FAO, cuyo devenir estará indudablemente determinado por la voluntad y la capacidad de los Gobiernos de los Estados Miembros que la integran. En este sentido son de particular relevancia la forma y los criterios de vinculación entre la Organización y sus Miembros, así como la importancia que se atribuya y se observe en los trabajos que se asuman en su seno.

Esta es una oportunidad para que los Estados Miembros no sólo contribuyan a este proceso evaluatorio, sino que el ejercicio pudiera responder, en mayor medida, a los intereses de los países, en particular, en armonía con los intereses de otros países de mayor o menor desarrollo. Seguramente esto dependerá de los resultados que arrojen los trabajos de la evaluación en su conjunto.

No obstante que la evaluación es independiente, sería recomendable que participaran representantes de los Estados Miembros, por lo menos algunos, o los que concurren como Miembros del Consejo, personas que presten sus servicios en los gobiernos de los Estados Miembros, ya que entre ellos se puede encontrar personal con grandes posibilidades de participar, a título personal y no como representantes de sus gobiernos, como ocurre con ciertos foros de la FAO en los que se reconoce y convoca en función de la experiencia y los conocimientos de las personas. En este sentido, apoyamos también la idea del Grupo de Amigos del Presidente.

El proceso de Evaluación Externa Independiente planteó, desde sus inicios, posibles deficiencias, obstáculos y limitaciones que han frenado el cumplimiento de las obligaciones de la FAO. Se cuestiona si han sido factores financieros, reducción presupuestal, estructurales del personal o inclusive de cultura administrativa, sin negar la incidencia de estos factores, que son por excelencia endógenos. Sin embargo, se subrayan los factores exógenos y el contexto internacional mismo que requiere de mejores condiciones favorables a la Cooperación Internacional para el Desarrollo.

Por otra parte, es de particular relevancia la forma y los criterios de vinculación entre la Organización y sus Miembros, así como la importancia que se atribuya y se observe en los

trabajos que se asuman en su seno. A este respecto ocupan, por supuesto, un lugar significativo los mecanismos y los órganos de vinculación como los Comités Nacionales de Enlace con los Estados, las Representaciones Sub-regionales y Nacionales así como las Representaciones Permanentes en esta Sede.

Habría que tener en cuenta, por supuesto, ejercicios anteriores como el de la Conferencia del 1987 o la que tuvo lugar a la llegada del actual Director General en 1994. En ambas conferencias, sin embargo, la que imperó fue la Secretaría de la FAO y no tanto los países que, en algunos casos, mostraron una capacidad propositiva valiosa que no necesariamente se reflejó en los resultados de ambos ejercicios, principalmente en lo que respecta la realizada en 1987. Es historia, sí, pero es sobretudo experiencia.

Habría que asegurarse que en este nuevo proceso de evaluación se recojan las aportaciones valiosas, particularmente de aquellos países con una clara y valiosa vocación por la Cooperación Internacional para el Desarrollo. Un proceso serio y sustentable puede crear condiciones y un ambiente propicio para los propósitos del desarrollo internacional.

El tema relativo al proceso de descentralización ocupó un lugar importante en la segunda evaluación de 1994, y el día de ayer fue parte importante del debate en este Consejo.

Actualmente, esta es una de las cuestiones que están mereciendo atención particular, ya que, salvo el caso de las Oficinas Regionales, las demás y principalmente las Representaciones en los países, fungen, muchas de las veces, básicamente, como oficinas diplomáticas de gestión cuyo desempeño y configuración requiere seguramente una atención más detallada. En el tema de descentralización se proponen economías cuya eficiencia habría que analizar; particularmente en aspectos como el de la sustitución de personal internacional por personal de contratación nacional, debido, en buena medida, a razones de economía pero cuyos beneficios en términos de eficiencia y eficacia no están necesariamente demostrados aún.

En un principio se propusieron cuatro áreas principales que los evaluadores deben cubrir en su análisis de la Organización: programas, políticas, estructuras y finanzas. Estamos hablando de factores endógenos, y al respecto puede considerarse que la FAO ha tenido avances importantes a partir de la reorganización emprendida en 1994. Sin embargo, habría que ponderar la necesidad de evaluar otras facetas de la FAO más exógenas en una perspectiva integral de evaluación, como los foros que auspicia la Organización, a través de las sesiones de sus órganos fundamentales. La conjugación de las distintas facetas de la Organización: información, debates, actividades de campo, asegurarían resultados sustentables que la fortalecerían. De hecho, se ha visto que el solo impulso de la Secretaría de la Organización no basta para asegurar mejores niveles de eficacia en los resultados, mucho menos acciones congruentes y continuas. Es necesario fortalecer la calidad también de la concurrencia y las sinergias de los Estados Miembros con esta Organización.

#### **Ibrahim Bocar DAGA (Mali)**

Je voudrais intervenir au nom du Groupe africain ayant été d'ailleurs Membre du Comité du Conseil.

Tout d'abord je voulais dire que le Groupe africain a eu à regretter le départ de M. Bezanson qui a été un excellent Chef d'équipe, qui a rassuré les uns et les autres de sa détermination mais qui, hélas, a dû diminuer ses activités, donc nous lâcher, mais heureusement pas tout à fait.

Nous voudrions aussi rappeler ici, le choix heureux qui a été fait en choisissant l'Ambassadeur Perri pour diriger cette équipe. Nous n'avons pas toujours été d'accord mais nous sommes toujours demeurés des amis, parce que des amis savent se parler, se dire des vérités et arrivent toujours à s'entendre. Le fait qu'il nous quitte physiquement de Rome, je suis sûr, n'enlève rien à sa détermination et à son engagement pour que cette évaluation soit une réussite. Nous nous sommes réjouis aussi du choix de l'Ambassadeur Bettini, que nous savons homme de conviction, représentant le pays hôte, sans lequel je crois la FAO ne serait pas ce qu'elle est. Nous nous réjouissons aussi et nous adhérons totalement à la mise en place de l'ami du Président. Le Président étant cet homme que nous avons pris l'habitude de connaître et qui a toujours réussi

avec ses amis les missions qui lui ont été assignées au cours des différentes Conférences et Conseils écoulés. C'est pour nous donc un gage de réussite encore cette fois.

Nous voulons rappeler ici que le principe de l'évaluation a été accepté après de longues discussions, parfois tendues mais toujours cordiales, et qui ont abouti à une adhésion totale de tous les Membres de la FAO pour engager cette évaluation. Nous avons fait la preuve en son temps, qu'on pouvait effectivement dans cette maison se comprendre, même quand au départ on n'est pas d'accord, on arrive à une fin consensuelle et c'est ainsi que l'évaluation a commencé.

L'évaluation a été engagée à un moment où tous, quelque soit notre état d'âme, pensions que la FAO avait effectivement besoin d'être évaluée. Mais ça ne l'a pas été dans le sens de prendre une pause, de mettre entre parenthèse la FAO pour qu'on nous sorte un rapport. Nous devons nous approprier ce rapport qui va sortir et faire l'objet de débats et d'échanges. Mais il serait bon que déjà nous cheminions ensemble pour arriver à des conclusions heureuses dans l'intérêt de notre Organisation commune.

Il a été précisé que les conclusions de l'évaluation pourraient venir renforcer des propositions de réformes appelées à les mettre en œuvre de toute urgence. Tout comme naturellement plus haut dans le texte, il est dit que certains ont des appréhensions et craignent que l'évaluation ne remette carrément en cause les réformes engagées. Mais il est dit aussi que dans l'éventualité où on freinerait ces réformes, et bien, il y aurait des conséquences puisqu'il y aurait des coups d'opportunité fâcheux à supporter par cette Organisation qui déjà, tout le monde l'a répété ici, est en profonde crise financière.

Nous pensons que nul ne peut préjuger des conclusions de cette évaluation. C'est pourquoi nous tenons à dire ici haut et fort que nous avons des frissons, que nous avons des appréhensions, quand certains membres, déjà, se mettent dans une posture qui veut dire que demain la FAO sera ceci ou la FAO sera cela. Il faut que nous fassions preuve de beaucoup d'humilité, que nous continuons à faire confiance à l'équipe que nous avons tous choisie unanimement pour arriver au terme de son travail.

La mise en œuvre de cette évaluation externe indépendante ne veut pas dire la mise en parenthèse de la FAO jusqu'au terme de cette évaluation. Au contraire, en acceptant le principe de l'évaluation il a été accepté et de façon unanime, qu'elle ne saurait mettre en cause les activités et l'évolution de la FAO. Les réformes font partie de la dynamique de la FAO. On ne peut pas parce que nous avons ordonné une évaluation dire que nous allons faire un stock, ce n'est pas le sens du Groupe africain en s'engageant dans ce processus d'évaluation externe indépendante.

Nous voulons donc avec la sagesse qui vous caractérise mettre la balle par terre, que chacun sache qu'il a sa partition à jouer, que chacun doit aider une équipe qui a été retenue pour l'évaluation. Parce que, à force d'entendre certaines déclarations on peut avoir peur qu'il n'y ait des délits d'initiés, qu'on ait déjà en tête ce que l'évaluation va nous sortir. C'est vraiment dangereux pour l'équipe que nous avons choisie. Pour l'heure, cette équipe a la pleine confiance de tous les membres de la FAO, pour l'heure tout le monde se réjouit du travail qui est fait, compte tenu du document que nous avons sous les yeux aujourd'hui. Mais, si on ne cesse de nous faire croire que demain sera un autre jour selon nos visions personnelles, nous risquons de compromettre tout à fait le travail qui est engagé. Nous continuons à faire confiance à cette équipe, nous continuons aussi à faire confiance aux Etats Membres car nous n'avons nul doute que tous les États Membres veulent une FAO qui réussisse sa mission.

#### **Bright RWAMIRAMA (Uganda)**

Thank you Mr Chairman. My delegation would like to congratulate FAO for facilitating the Council Committee on Independent External Evaluation, to proceed with its work as required by the Council and the Conference. We note that FAO has started implementing some of the reforms highly recommended by both Council and Conference. We urge Member Nations to facilitate FAO to expedite implementation of the reforms that do not require the outcome of the Independent External Evaluation. We note that both reforms and the Independent External Evaluation are mutually supportive for improved efficiency of the Organization.



My delegation proposes that in order to successfully implement the reforms, including those emanating from the Independent External Evaluation, sufficient resources should be provided under FAO's regular budget. We also urge the Member Nations to support the Council Committee on Independent External Evaluation to cover the financing gap of the US\$ 380 000 which has been communicated to Council. Finally, my delegation associates itself with the submission made for the African group by the Representative from Mali. Mr Chairman, your team and Council, I thank you very much for your attention.

**CHAIRMAN**

Before I give the floor to Sweden, I'll read the list of speakers.

It is United States of America, India, Canada, Egypt, Brazil, Republic of Korea, the Philippines, Angola, Bangladesh and Nigeria. From Members of the Council, and they are Australia, and then we will go to the Observers later. I invite the Distinguished Ambassador of Sweden to take the floor please.

**Christer WRETBORN (Sweden)**

Sweden now speaks on behalf of the Nordic Countries, Denmark, Finland, Iceland, Norway and Sweden. We fully align with the EU statement on this item.

On behalf of the Nordic Countries, I would like to express our appreciation to the Core Team for their work. We would also like to thank the outgoing Team Leader, Mr Bezanson, for his work and efforts and are happy to hear that he will continue in the Team and we welcome the new Team Leader, Mr Christofferson.

But above all, we would like to express our gratitude to our dear friend, Ambassador Perri, for his encouraging, stimulating and engaged work as Chair of the Council Committee, and we look forward to and hope that we can continue to cooperate with you, Ambassador Perri, to put forward our exercise to a successful outcome.

We would also like to commend the Council Committee for the progress report in front of us.

We realize that the Team has a heavy workload ahead and we hope that it will be possible for the Team to present the Final Report within the allotted time.

The Nordic Countries fully support the notion expressed in the report as to the independence of the Team and that their work should be carried out in line with the directions indicated in the Progress Report and the previously approved Inception Report.

This means that the IEE will provide an objective external opinion based on a comprehensive and independent in-depth analysis on the programmes, management and governance of the Organization, its strengths, weaknesses and comparative advantage. It will also provide the analysis needed to identify future priorities.

The Nordic Countries welcome the proposal that the meetings of the Friends of the Chair will be open to all Members of the Organization with a core group of representatives per region. This kind of process where openness, transparency and ownership are key words has our full support and will inspire trust among Member Countries. A broad participation and involvement of Members in the work will make it possible to put in effect the future proposals by the IEE.

**Willem BRAKEL (United States of America)**

The United States is pleased to note that the Independent External Evaluation of FAO is well underway and on target for delivering its findings and recommendations in time for the Council and Conference of November 2007.

From the quality and scope of the Inception Report and Progress Report and from the probing questions the IEE is putting to FAO Members through questionnaires and interviews, it is evident that the Core Team and consultants are engaged in a comprehensive and professional investigation and analysis, seeking input from a broad range of stakeholders, including Member Governments and the Secretariat.

We are pleased to note also that the governance mechanism for the IEE that the Council put into places has proven effective at assuring adequate oversight and compliance with the terms of reference while guaranteeing the independence of the evaluation. This has included very useful input from the quality assurance advisors.

The CC-IEE mechanism also allowed us to respond effectively to the unexpected challenge of having to find a replacement for the Core Team Leader on short notice. We were able to identify an outstanding and worthy successor to Dr Keith Bezanson in the person of Mr Leif Christoffersen. We did so through an open and transparent process that rightly put the emphasis on professional qualifications and relevant evaluation experience.

We sincerely thank Mr Bezanson for his fine work in launching the IEE and in working to ensure a smooth transition despite health difficulties. We wish him a speedy recovery.

I also wish to note the presence with us today, of Mr Carlo Pérez del Castillo, representing the Core Team and seeing him there reminds me that in fact the Core Team has circulated to all Members of FAO a very thought provoking and interesting Questionnaire on Governance of this Organization. I hope that others have joined the United States in responding promptly to that questionnaire.

Mr Chairman, we acknowledge with appreciation the leadership of Ambassador Flavio Perri in steering the IEE process forward. Although his government has recently called him to serve in another European capital, we are reassured to know that he will be able to continue as Chair of the CC-IEE and that he will be able and available to join us as required for future meetings of the Committee.

We also wish to thank Mr John Markie and the FAO Evaluation Service for their continued, indispensable support for CC-IEE and the Core Team. They have provided extremely valuable advice and assistance while scrupulously respecting the evaluation's independence.

Under the Chairmanship of Ambassador Romualdo Bettini, a Working Group on IEE Finance has been successful in securing voluntary contributions and pledges from some twenty-five countries covering approximately 97 percent of the costs of the evaluation as envisioned in the terms of reference. Additional costs associated with replacing the Team Leader and other refinements to the IEE now indicate a remaining funding gap of about US\$ 600 000. While this shortfall presents an additional challenge, we believe that it also presents an opportunity to allow us to broaden and diversify the list of countries contributing to the IEE.

Some governments that have, thus far, not contributed face understandable resource constraints. We believe even modest contributions can serve as a potent symbol of shared ownership and participation in this historic endeavour.

Finally, we recognize that all the effort that is going into the IEE will be for naught if we do not find a way to turn the findings and the recommendations of the evaluation into concrete decisions and actions by the Council and Conference in 2007. It is our ardent hope that the IEE will provide the beacon to help guide us to the broad consensus and political vision we require to restructure FAO in ways that will enable us to become Champions of Development Strategies owned by Member States that deliver prosperity and hope to the rural poor and food insecure.

To that end we support the CC-IEE proposal for an Informal Friends of the Chair Arrangement under the leadership of Independent Chairman, Professor Mohamed Noori. We believe such an arrangement will help ensure that the IEE lives up to the high expectations we have for this initiative conceived and driven by FAO's Members.

**Mrs Padmaja SINGH (India)**

We welcome the progress made up until now in the work of the Independent External Evaluation of FAO. We note that despite the change in the Leader of the Core Team, the Council Committee led ably by Ambassador Perri of Brazil has ensured that the work on the evaluation not only continues at full pace but the deliverables are made available as per schedule starting April 2007.

We wish Mr Keith Bezancon a speedy recovery from his health problems and welcome the appointment of Mr Leif Christoffersen as the new Team Leader.

We are all aware of the circumstances that led to the Membership deciding on commissioning this detailed exercise for the evaluation of the Organization. The mandate given to the Core Team is broad and we would naturally expect them to go deep into each of the aspects identified for that purpose. Be it, the technical work of FAO or its management and organization.

Also of interest is the manner in which FAO's various Governing Bodies should function and its role in the multilateral system. On the latter, as we are all aware, by now that the Report of the UN Secretary-General's High-Level Panel has been released on 9 November 2006. It will therefore, be of relevance while finalizing that we situate FAO in the multilateral system.

We have had a thought provoking discussion yesterday on the Director-General's reform proposal. A large number of us have requested that these reforms and the outcome of the IEE be taken together. We feel that the IEE should very seriously look at the thematic and governance aspects of FAO's reorganization. This will assist us all on how best to carry out structural reform.

We would like to draw your attention to the shortfall in the funding of the budgetary requirements of the IEE for 2007 and, through you, appeal to all Nations to make contributions at the very earliest. India has already made its contribution.

We also welcome and support the proposal for the establishment of a Panel drawn from the Membership to work as Friends of the Chair to facilitate discussions on issues pertaining to the follow-up to the IEE in preparation for the Council Session in 2007.

**Paul MURPHY (Canada)**

Canada continues to support the Independent External Evaluation as a necessary means of reviewing and improving the effectiveness of FAO.

We thank Ambassador Perri for his continued Leadership on behalf of FAO Member Countries in regards to the IEE. We also welcome Mr Christoffersen's willingness to take on a leadership role in the evaluation at such short notice.

Canada believes the IEE Team has submitted a credible Inception Report and is making good progress in the execution of its mandate.

Canada has made a significant contribution to the budget of the IEE and we welcome recent contributions to the IEE that have been announced today. We urge other Members to contribute to the budget of the IEE within their means.

**Said Mohamed MANSOUR (Egypt) (Original language Arabic)**

We hold Ambassador Perri in high esteem because of the way he has so competently led the Council Committee in its work on the IEE. We hope that he will continue to watch over its good functioning and we do hope that the result will be an increase in the Organization's performance and services to Member Nations.

We hope that Mr Bezanson will soon be well again and we wish Mr Christoffersen every good result.

We are in favour of setting up the Friends of the Chair so that it can assist the Council Committee so that all regions may be equitably represented.

**Ms Ligia Maria SCHERER (Brazil)**

The Dominican Republic already spoke on behalf of the G77, so I will be brief.

Brazil has always attached the utmost importance to Independent External Evaluation of FAO. Brazil is honoured that Ambassador Perri has been appointed by this Council as Chairman of the Committee of the Council for the IEE. Brazil is honoured that Ambassador Perri may continue to lead this exercise to its completion.

My country is examining the possibility of contributing financially to the evaluation. As a first step, I am happy to inform, that my Government is ready to bear all costs involved in Ambassador Perri's continuation as Chair of the Council.

Brazil also supports the creation of a Friends of the Chair mechanism under your able leadership. We will of course be ready to collaborate with you in such an important task.

**CHAIRMAN**

Thank you distinguished Representative of Brazil, especially for the good news that Brazil is supporting the continuation of the work of our friend Ambassador Perri.

**Chang-Hyun KIM (Republic of Korea)**

Taking this opportunity, I would like to express our sincere appreciation to Ambassador Perri for the comprehensive Report and his continuing work for the IEE.

The Korean delegation fully welcomes the Inception and Progress Report and would like to clearly state its willingness to pay the contributions.

It has been 60 years since the establishment of FAO and it is high time to evaluate the roles and activities of this Organization. It is important that the IEE is implemented successfully in order for FAO to efficiently perform its role for eliminating poverty and hunger.

The Korean delegation also understands that the IEE and FAO reform are mutually-supportive. IEE is also important because it is setting the right course for further reform to be pursued in the future. Taking into all the important considerations the Korean Government expresses our intention to pay US\$ 100 000 and we will complete the payment by the end of this year. Korea also agrees with the idea of operating Friends of the Chair for the facilitation of IEE activities.

**CHAIRMAN**

Thank you Republic of Korea for the statement and the support to financial situation of the IEE.

I will ask the Philippines to take the floor please.

**Bernie FONDEVILLA (Philippines)**

We are happy to learn that the IEE is proceeding well and in a timely, transparent and impartial manner, in line with its terms of reference as approved by the Council and Conference.

We would like to express our appreciation to the evaluating team for their work, especially the outgoing Team Leader, Mr Bezanson. We would also like to welcome the new Team Leader, Mr Christoffersen.

We would also like to express our appreciation for the untiring efforts of the Chairperson, Ambassador Flavio Perri. We support paragraph 15 of the document under consideration. When the Report of the CC-IEE was released, the Report of the High-Level Panel on UN System-wide Coherence in the Areas of Development, Humanitarian Assistance, and Environment entitled "Code Delivering as one and Code" was not yet released. The Report comes seasonably and we hope that and we encourage the IEE Team to carefully consider this Report in as much as what we want to have among others, is a coherent UN and FAO Systems.

**Carlos Alberto AMARAL (Angola)**

Ma délégation s'associe à l'intervention de l'Ambassadeur du Mali qui a parlé au nom du Groupe africain et en profite pour féliciter les Comités du Conseil chargés de l'évaluation externe et indépendante pour les rapports présentés et pour le travail positif et transparent développé jusqu'à présent. Ma délégation voudrait adresser une parole spéciale au Coordinateur du Comité, l'Ambassadeur Perri, pour sa dédication, sa compétence et son savoir-faire à maintenir informé, de façon permanente, les Représentants des États Membres sur l'évolution des travaux. Ma délégation fait à Monsieur l'Ambassadeur les meilleurs vœux de succès dans l'accomplissement de ses nouvelles fonctions.

Ma délégation est convaincue que les travaux futurs de l'évaluation externe connaîtront les mêmes dynamiques et quand vers 2007 l'équipe sera prête à présenter le rapport sur les grandes lignes. Les recommandations devront tenir compte des grandes réformes des Nations Unies et du processus des réformes spécifiques de la FAO.

Nous pensons que les réformes de la FAO, les recommandations de l'évaluation externe et indépendante se renforceront mutuellement comme indiqué dans la Résolution 6/2005 de la Conférence de la FAO.

Ma délégation a suivi avec une particulière attention la présentation du Président du Comité du Conseil et elle appuie la proposition de créer un Groupe d'amis du Président parce que ce mécanisme a toujours donné des résultats positifs. Ma délégation voudrait également se féliciter de la bonne nouvelle annoncée par les délégations du Japon, du Brésil et de la Corée.

**Mrs Nasrin AKHTER (Bangladesh)**

Bangladesh speaks on behalf of the Asia Region and we also like to echo what was said by my previous colleagues from other regions, who have expressed their satisfaction and appreciation on the progress of IEE 's work so far.

We look forward to receiving a coherent, timely and needs-based recommendation from IEE.

Finally, our Region also expressed our heartfelt gratefulness to Ambassador Perri for all his efforts and leadership during his presence in Rome.

**Gabriel G. LOMBIN (Nigeria)**

My delegation welcomes the Progress Report on the ongoing Independent External Evaluation of FAO. Nigeria being a major beneficiary as well as a benefactor attaches the greatest premium to this evaluation exercise in view of the impact it is likely to have on the future direction of the Organization.

Coincidentally, the Chair of the Council Committee is a special friend of my country, the current Chair of the Council is a special personal friend, so we have a special stake in this exercise.

We expect that the Evaluation will bring out clearly the strengths and weaknesses of FAO, its areas of comparative advantages as well as the impact of its programmes both within the so called normative and operative contexts. We expect the outcome to guide this Organization on the appropriateness of its interventions and well as its future programme forecast thrust and even programme formulation.

In aligning myself strongly with the statement from India, we did make the observation at a number of fora in the consideration of the whole process of the evaluation of the lacuna that has been presented in the Reform Proposal of the Director-General, on the role of the Governing Bodies and actual Governance.

I am glad that the issue is being pushed to the Evaluation Team. Sitting in this fora for a number of times, I have noticed that not less than three, four or five items have expressly been referred to the Independent External Evaluation, which shows that the Governing Bodies are actually expecting a credible exercise. The evaluation exercise is a project of this Council, it is a project of the Governing Bodies, and I feel a little uncomfortable when people speak as though they are already afraid of the outcome. I think that we should approach it with a clear open mind. It is an exercise that we own, it is an exercise we expect, and we want to use it, and let us look at it positively.

At this juncture, let me place on record my special thanks to Ambassador Perri, who I did not even know was leaving, although he is a friend of my country until I saw his Note Verbale that he was living in Rome. He did a wonderful job, we have had an opportunity to ask very critical and sometimes silly questions during the various meetings of the IEE Council Committee, but thank God they were magnanimous and have to answer those questions and eventually put that on track and we are appreciative.

We also want to use this opportunity to request the CC-IEE Chairman and Mr Christoffersen, the new Team Leader, to kindly convey our generous appreciation and best wishes to Mr Bezanson, who for health reasons could not continue with the assignment.

From the Progress Report before us and from the brief, this statement by the way is from my Permanent Secretary so it is strictly mine, it is clear that the Evaluation Team has done a very good job, we therefore look forward to their completing their assignment on schedule.

We concur with the Council Committee, in emphasizing at every stage of the discussion the independence, impartiality and credibility of the persons of the evaluation process. What has so far happened has given us room to be comfortable that we are on track, at this point, let me lend my support to the Friends of the Chair Group proposals from the Chair. I draw my consolation from the fact that it is going to be Chaired by Ambassador Noori who is a skilful negotiator, but we have to make sure that we do not get it involved as another element of the Council within the evaluation process.

I think that the field is already crowded, we have the evaluation team, we have the evaluation office, we have the evaluation Council Committee, we hope this one is not going to be another body structure in the process, we hope that it will start at the point where the job has already been concluded and we are about to start considering the outcome, and then they are coming.

I would like to, on behalf of my country, express our confidence in the process, I have not seen anything to make me think that there is anything that is going to undermine the integrity of this exercise, and I would like to plead with colleagues that I have already explained it here. I am repeating it because I have heard it in the corridor, we have followed the processes all the way through, surely it is not angels that are going to conduct the evaluation, it is human beings, they are experts and we agree, but they are human beings, surely their outcome will be open to questions but that is not to say that we will start questioning the credibility of an exercise, even before we get there. In any case, I think that Mr John Markie has done a wonderful job in navigating us through the process in such a way that the independence and the integrity of the process so far is unchallengeable.

I would like to congratulate the Team, I would like to congratulate the Chairman and I would like to congratulate our Council Chairman for the exercise so far and we are looking forward to maybe even submitting the Report ahead of schedule.

#### **Ms Fran FREEMAN (Australia)**

Australia continues to place strong emphasis on the Independent External Evaluation and we would emphasize that we see it as the primary vehicle in guiding the ongoing reform process in the FAO, particularly with respect to identifying the Organization's future strategic directions and operations. We have willingly made a significant contribution to the IEE.

We welcome the update on progress with the IEE prepared by the Council Committee for the IEE of FAO and consider that despite the recent unfortunate need to change the Core Team Leader, it appears that the IEE is progressing well. We regret the departure of Mr Bezanson and thank him greatly for his important leadership of the evaluation, we welcome, the new leadership of Mr Leif Christoffersen and other members of the Council including Mr Perez del Castillo.

Australia acknowledges the additional suggested budgetary requirements for the IEE arising from the change of Core Team Leader and concurs with this.

We also support the initiative of the Independent Chairman of Council to informally convene between Council Sessions a regional representative, Friends of the Chair Group to discuss issues relevant to the IEE in preparation for Council Sessions.

Australia sees this as a positive initiative which will assist the Membership to consider a range of important IEE policy related issues necessary to ensure appropriate consideration of the Report and its uptake by the FAO.

**Moungui MÉDI (Cameroon)**

Let me first start wishing a good welcome back home to Ambassador Perri with whom we have had the opportunity to work in this exercise. We very much appreciate his leadership as the Chairman of the CC-IEE and we have always managed to lend him all of our support and we will continue to do so.

We also congratulate the Secretariat and Mr John Markie and his Team for all the support that brought this exercise so far.

We would like to express our satisfaction for the progress made on the Independent External Evaluation of FAO, it is indeed a very heavy undertaking and we applaud the commitment of the Membership to it.

Let me before continuing associating myself with the statement that was made by the Ambassador of Mali on behalf of the Africa Group.

On my way, I would like to touch upon three key aspects of the evaluation, the three key aspects are, neutrality, honourship and independence. Neutrality, we have selected a Core Team for the IEE among the best internationally available professionals, with the widest geographical spread and gender balance and in conformity with the adopted terms of reference. They have started their work, executing their tasks to the best of their capabilities and we think that at this point in time it is still very premature to judge the quality of their work. What we are interested in at this juncture is to build and develop a sense of confidence and trust in the people we have ourselves selected.

I am convinced and I also know for sure, that they have spoken to many people officially or on a private basis; they have spoken to staff certainly and to some Permanent Representatives and also to Regional Groups. After the first contact, at this point in time, they have already a sense of the various trends and sensibilities. Our sincere plea to the Team Leader and his Team is that the views expressed by Members and Secretariat staff during the interviews they conducted should not undermine or shake their neutrality. It is a prerequisite for mutual respect and validity of the findings of the IEE as well as its credibility.

Ownership – FAO being a multilateral Organization, the implementation of the decision of its Governing Bodies is everybody's responsibility. The rule applies equally to the IEE. This exercise should not be seen as an issue of interest to some Members, whilst others are taking it casually. The financing pattern of the IEE should not make it a process owned by some countries, because we know that there are bigger donors who are involved and some small donors. Besides, we are happy to acknowledge developing countries' contributions. It is a common endeavour; we are all in fact in the same boat. We shall, at the tail end, be able to claim full ownership to it as Members.

Independence – I also wish to suggest that the independent nature of the evaluation be preserved until the end. Nothing should be done to deviate from that principle, which may partly guarantee the validity of the findings.

We now seize this opportunity to congratulate countries that have contributed to the IEE and wish also to urge other Members to do so.

Having said this, I conclude by lending all the support of my delegation for the proposal of the CC-IEE on Inter-sessional Meetings of the Friends of the Chair to assist the Council deliberations on the IEE of FAO under your leadership, Mr Chairman of the Council.

**José Eduardo DANTAS FERREIRA BARBOSA (Cap-Vert)**

J'aimerais avant tout remercier l'Ambassadeur Perri pour son rapport. Aussi, j'aimerais joindre ma voix à ceux qu'ils l'ont félicité assez vivement pour le travail excellent qu'il a fait pour le processus et surtout pour sa disponibilité de continuer à œuvrer avec nous jusqu'à la fin de cet important processus. Il a tout notre appui et nous sommes très contents de le voir à nouveau parmi nous.

La EEI revêt une grande importance dans les efforts de notre Organisation pour s'adapter chaque fois d'avantage aux défis actuels et futurs posés par la noble mission qui est la sienne, de lutter contre la faim et de promouvoir le développement de l'agriculture dans le monde. Pour cette raison, nous voulons aussi exprimer notre satisfaction pour le travail réalisé jusqu'à présent qui est sans doute un travail bien fait. A ce propos, nous aimerions mettre en relief le travail excellent fait par M. Bezanson, du fait de notre modeste point de vue, qu'il a su profiter de ses grandes qualités et capacités professionnelles et humaines et de celles de son équipe compétente, mais aussi pour le fait qu'il a su donner une direction correcte au travail de l'équipe de la EEI. Nous sommes très contents que sa santé s'est améliorée et qu'il est en mesure de continuer à donner une contribution utile au processus. Nous sommes aussi convaincus que Monsieur Christoffersen et son équipe ici très bien représentée par M. Pérez del Castillo, continueront à œuvrer dans la même direction.

Pour les raisons que j'ai invoquées, j'aimerais au-delà de ce qui a été dit par notre collègue du Mali, au nom du Groupe africain, manifester la conviction que si nous sommes capables de continuer dans la route qui nous a été proposée par M. Bezanson, nous serons capables de contribuer à travers le processus de réformes en cours et de la EEI, à une adéquation de notre Organisation aux grandes aspirations et nécessités d'une grande partie de l'humanité, laquelle malheureusement continue à souffrir de faim et de malnutrition et reste en marge des grands progrès de notre époque.

**Mrs Tritaporn KHOMAPAT (Thailand)**

My delegation would like to add our voice to the previous speakers, as well as Bangladesh who spoke already on behalf of the Asia Group, to express our gratitude to Ambassador Perri for the heavy and successful work of the CC-IEE due to his dedication. We wish him success in his new assignment in London and look forward to seeing him back from time to time with us.

Thailand wishes to confirm our support and expectation of the IEE recommendations. We believe that the findings of the IEE will also provide the input for the Asian countries for other reflections to consider an appropriate formula or further steps for decentralization in other regions.

We also support the initiative to establish the Friends of the Chair for the preparation of IEE issues for the next Conference of 2007.

**Javad Shakhs TAVAKOLIAN (Iran, Islamic Republic of)**

First of all I would like to express our thanks to the Progress Report which was made by the Chairperson of the CC-IEE and particular thanks to Ambassador Perri for having accepted such an important job. We would also like to thank all the members of the CC-IEE, Mr Christoffersen and the other people who are involved in these issues.

Finally, I would like to thank the Government of Brazil that facilitated the continuance of Ambassador Perri's job. His job is very important.

**CHAIRMAN**

Thank you, Ambassador. I do not have any other speakers from the Council Members so I will go to Observers and start with Argentina.

**Sra. María DEL CARMEN SQUEFF (Observador de Argentina)**

Quiero agradecer al Embajador Perri por el documento presentado, y deseo también apoyar la intervención de la República Dominicana a nombre del GRULAC. En ese sentido, apoyamos también el punto 15, en particular, la creación de un Grupo de Amigos del Presidente.

Con respecto al ejercicio, estimamos que no deberíamos prejuzgar sobre los resultados y más bien deberíamos seguir colaborando con todas las acciones y propuestas que la Evaluación Externa Independiente implica.

Esta Representación desea manifestar su beneplácito por la designación del Embajador Bettini al frente del Equipo de Financiación.



Asimismo y especialmente, queremos resaltar nuestra alegría y nuestro total apoyo a la continuación del Embajador Perri al frente del Comité. Consideramos que su presencia seguirá siendo de gran importancia para establecer vínculos y articular posiciones, tarea para nada sencilla, dados los tres escenarios en que la FAO transita en este momento: su propia Reforma, el ejercicio de la evaluación y la Reforma de Naciones Unidas.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

My delegation fully aligns itself to the statement made by the delegate of Mali on behalf of Africa and the one made by the Dominican Republic as the G77 Coordinator on the IEE and indeed the many G77 statements that acknowledge the IEE as a mutually supportive instrument for the reform of FAO.

We have difficulty with the attempts by some to redefine the mandate of the IEE beyond that stated in the Conference Decision.

We note, with regret, the departure of the first Team Leader, Mr Bezanson. We commend him for the sound foundation he put in place before his departure. We, however, wish him a speedy recovery.

In the same vein, we wish to welcome his successor, Mr Christoffersen, an experienced expert in this area. We are particularly confident that he will be able to pick up from where Mr Bezanson left off and steer us through with success.

We are grateful that the Government of Brazil has assured us of the continued presence of Ambassador Perri on the IEE. We believe that the process needs his experience at this moment, particularly in view of the formerly mentioned staff movements. His presence, together with that of the Bureau members and of FAO Evaluation Secretariat, who have guaranteed that there will be continued institutional memory.

The period we are now facing in this process is critical in winning the hearts and minds of many through confidence building. The IEE belongs to us all and Members would like to continue to feel this security, but my delegation is getting worried because we find that others no longer want to move on Regular Programme work in FAO, preferring instead to wait for the IEE on the understanding that it is coming with different recommendations. Why are they so sure? Is there something that we are not aware of? We would like to urge the Membership to be cautious here. Everyone will have a say and we believe that this is the one issue in which each one of us should be free to exercise their preference. Its outcome should be put to the test. If need be, we should all be assured that the final result carries on our thinking.

We would like to urge that we continue to work as a group and that we continue to engage everyone. This will protect those of us who neither have the muscle nor the chequebook with which to influence the result.

We underscore the issue of professionalism in this exercise and that this should override all of these other issues. Weak or poor nations have to be engaged continually for them to own the outcome. For this, I fully share the views of Cameroon on the matter.

We would like that there would be regular consultation with regional groups. This would help to arrive to an early consensus on some key issues in this process. Therefore, we share the view of the Chair, that has been endorsed by many, that there be a small group that will start working on some areas of agreement. We believe that it is important in building some initial building blocks.

We are confident that, under your able guidance, we will reach some useful conclusion. Most importantly, as we have said, we would like to continue to own this process and we hope that we can continue to do so.

**CHAIRMAN**

This brings me to the end of the speakers list and now I would like to turn to Ambassador Perri, Mr Pérez del Castillo and Mr John Markie, if they have any comments or replies to the Council.

**Carlos PÉREZ DEL CASTILLO (Council Committee for the Independent External Evaluation)**

Let me thank you and Ambassador Perri for this opportunity to say a few words and address the Council. I would also like to thank you for the opportunity for having been able to listen to your debates of the last three days. I think you will agree with me, the words Independent External Evaluation were mentioned quite a few times.

Firstly, I would like to reaffirm what Ambassador Perri has said, in presenting his Report, namely that the Core IEE Team is making progress. We are working on track, according to schedule and in accordance with the Terms of Reference and what the Inception Report we put forward mentioned. I would also like to highlight that we are guided by the principles that have been stressed today, in this Session, in a number of opportunities, independence, impartiality, transparency and professionalism.

Secondly, let me inform you that the Developing Country Visits are well-advanced and we will finish them by the middle of December, and that we have also already done a number of visits to OECD countries as well.

Thirdly, as you know I am in charge of the Governance Issues and a few weeks ago a questionnaire was distributed among you. We have already received a number of replies but I would urge all Members who have not yet replied if they could make an extra effort and let us have their responses before the end of the week.

As indicated, although we are working under a very tight schedule, it is our intention to present the paper on the emerging issues in April 2007.

Let me finish by highlighting three points.

First of all, I would like to place on record my thanks for the openness and the time that Member Countries and Representatives in Rome have given me with regards to our work and the work of all the team. I would like to, in particular, thank Ambassador Perri and all Members of the Council with whom I had extensive discussions. I can not fail to also thank the Secretariat of FAO and in particular Mr John Markie. They have been extremely supportive and have been a very important source of advice and assistance.

The second point is that I convey to Dr Bezanson very kind words and best wishes for recovery as well as best wishes for Leif Christoforsen for taking over his job.

Finally, I would like to tell you that I have been listening very carefully to the deliveries of this Council during these last three days, in particularly today, and I have registered the words and expectations that Member Countries have with regards to the IEE and I value very much the expressions of confidence, trust, credibility and integrity that have been mentioned with regards to this process.

**Flávio PERRI (Chairman, Council Committee for the Independent External Evaluation)**

It has been a very important debate – not exactly a debate, but an occasion to hear your impressions and, in my personal capacity, your support to the job we have been doing during the last two years with direct and personal collaboration of each participant. I do feel that we should continue along the same path and in spite of being in London, I am used to saying that we have two lives: one is physical and the other is spiritual. I will be here in spirit, trying to understand what will happen during this time and trying to understand what my role is, exactly, in accordance with your views and expectations.

Let me tell you that I count upon the collaboration, personal and professional, of John Markie. John Markie is an extraordinary guy. Let me treat you as an extraordinary guy. He is a friend. He has all the confidence of the Membership. I see that his role in the Evaluation sector of FAO is a role which engages him with the Secretariat but his straight-forward way of behaving makes him a necessary partner for the whole exercise – for the independence of it and for the participation of all of us in this task.

I thank you for your support. I have been trying to take a look at several points of our future work and I know that we need a calendar. I will propose a calendar to you soon. I see, most probably, a need of a meeting of the Bureau of the CC-IEE, perhaps in mid or late February, in order to take stock of the financial situation in particular and having Ambassador Bettini advance proceedings and I trust he will participate in this meeting as the focal point for our attention.

In April we will have the Emerging Issues Paper. The Emerging Issues Paper has to be received by the Bureau and by the Committee of the Council and has to be accepted as a workable paper. In April we may have some days of meeting, both by the Bureau and the CC-IEE. I would say that the beginning of July we are expecting the Draft Report from the Core Team. If that happens we should meet informally, perhaps as a Bureau Meeting, immediately after receiving this draft for preliminary consideration on the Draft Report. Then we will have the holiday season and meet at the end of August in order to formally accept the Final Draft as the final document for the Committee of the Council. After the Programme and Finance Committee take a look at it we will meet to finally finalize our work – most probably – in October, a few days before the Council and the Conference.

Next year is a very important year we are going to live. I do think that most of our understanding is now put on the hands of the able share of this Council. My dear friend, Ambassador Noori, who invites friends to meet during this period in order to avoid clashes, to promote understanding and to create the necessary climate for all the efforts being done by the Director-General and by the Membership under the umbrella of the United Nations Reform to arrive at a satisfactory solution for most of our problems. We all know that an organization complex like FAO should be in permanent reform.

We will only try at the end of next year – 2007 – to finalize part of the work. The rest of the work is to be done by our successors in the years to be.

**John MARKIE (FAO Staff)**

I do not think that there were any questions specifically put to the Secretariat, but I would like to first of all express appreciation for the very kind words we have heard and to assure you all that we will continue to support your Evaluation with your full ownership and to try to assist you in assuring its independence and neutrality; that it serves the needs of the Membership as a whole and that it is objective.

**CHAIRMAN**

I would like to say that the Council has praised the integration and quality of work done so far by the Independent External Evaluation Team. Council expressed appreciation for Mr Bezanson, wishing him rapid recovery. Council welcomed the new Team Leader, Mr Chirstoffersen, looking forward to the successful conclusion of his work with his Team, Council highly praised and appreciated Ambassador Perri for his excellent leadership and requested his continued Chairmanship of the CC-IEE which fortunately received the full political and financial support of the Government of Brazil which I take this opportunity to thank and express thanks of the Council to your Government for this gesture. Council endorsed.

The proposed mechanism are the Friends of the Chair as a coordinating mechanism. I hope that I survive this negotiation of this Council to start that work on time. Council thanks Japan, Republic of Korea, Qatar and Brazil for the new announcement of financial contributions to the IEE and, finally, Council thanks John Markie and the Secretariat for their sincere cooperation with the team.

With this, I conclude this Session of the debate of this Session of the Council and before giving the floor to Mr Mekouar for a few announcements, I would announce that from this afternoon I seek to take leave to go to the other business that I have been appointed to for negotiations. Fortunately, Ambassador Schenck of Germany would be ready to Chair the meeting this afternoon and also we do have the Ambassador of Cameroon to Chair tomorrow's Session. I will

be back as soon as possible, hopefully with good news of compromise on our very rich debate yesterday. Thank you very much. I give the floor to Mr Mekouar for announcements.

**ASSISTANT SECRETARY-GENERAL**

I have two announcements to make:

First, on behalf of the Chairperson of the Group of 77, Ambassador Muchada who advises us that the Regional Coordinators of that Group together with the members of the Drafting Committee from that group will be meeting this afternoon at 14.00 hrs in the Ethiopia Room, C285, which is in Building C.

***Suite en français***

La deuxième annonce est donnée par le Représentant permanent du Liban qui a le regret d'informer les honorables invités à la réception qui devait avoir lieu ce soir à l'occasion de la fête nationale du Liban, que cette réception est annulée à cause des dramatiques incidents qui ont attristé le Liban hier soir et qui a coûté la vie à son Ministre de l'industrie.

**CHAIRMAN**

Let me express our deep sadness for this sad event which happened to the Minister of Industry of Lebanon and we express our condolences to his family and to the Ambassador of the Government of Lebanon. Yes, Ambassador of Lebanon, you have the floor.

**Hassane ABI AKAR (Liban)**

Je tiens à remercier tous ceux qui ont fait part de leur douleur à cause de cette perte. Le Gouvernement libanais prendra toutes les mesures nécessaires pour mettre la main sur les coupables et pour que justice soit rendue. Une cour internationale devra être créée. Le Liban saura faire preuve de responsabilité.

**CHAIRMAN**

So we meet at 14.30 under the Chairmanship of Ambassador Schenck to continue with Items of our Agenda.

***The meeting rose at 12.30 hours***

***La séance est levée à 12 h 30***

***Se levanta la sesión a las 12.30 horas***

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**SIXTH PLENARY MEETING  
SIXIÈME SÉANCE PLÉNIÈRE  
SEXTA SESIÓN PLENARIA**

**22 November 2006**

### **III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS (continued)**

### **III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION (suite)**

### **III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS (continuación)**

#### **5. Programme Implementation Report 2004-2005 (C 2007/8)**

#### **5. Rapport sur l'exécution du Programme 2004-2005 (C 2007/8)**

#### **5. Informe sobre la ejecución del programa en 2004-05 (C 2007/8)**

#### **CHAIRMAN**

I declare open the sixth meeting of the Hundred Thirty-first Session of the FAO Council.

We have the quorum, we can start.

We now move on to Item 5 of our Agenda, Programme Implementation Report 2004-2005.

The main documents are: the Programme Implementation Report 2004-2005 C 2007/8 and CL 131/12 paragraphs 6 to 12 and CL 131/7 paragraphs 44 to 48, respectively, the Report on the Ninety Sixth Session of the Programme Committee and the Report of the Hundred and Fifteenth Session of the Finance Committee held in September this year.

First I would like to ask Mr Juneja, Director of the Office of Programme Budget and Evaluation to present this item.

#### **Manoj JUNEJA (Director, Programme Budget and Evaluation Division)**

I will briefly touch on the purpose format and content of the Programme Implementation Report.

In accordance with the suite of planning and reporting documents foreseen in the Strategic Framework, the purpose of the PIR is to serve as an accountability document, providing quantitative data on programme delivery. The PIR 2004-05 reports on the sources and uses of resources in relation to delivery of products and services planned in the Programme of Work and Budget 2004-05.

It is important to recall that the assessment of longer term outcomes and objectives is the subject of independent evaluations that cover a longer time span than the quantitative biannual picture of achievements in the Programme Implementation Report.

At the September 2006 Sessions, the Programme and Finance Committees welcomed the shorter and more focused format of the PIR and recognized that the changes in format have taken due account of the specific guidance of the Governing Bodies.

The Committees have made further suggestions for improvement and the Secretariat looks forward to the Council's further guidance on format.

The present version focuses on two aspects of performance. Organizational Performance, reviews overall budgetary performance, the cost of supporting the field programme, the application of the FAO language policy, and progress in geographical representation and gender balance of Professional staff. This version includes Reports in progress in efficiency savings, and on the one-time users of the 2002 arrears payments by the Major Contributor.

The Summary of Programme Implementation provides the main achievements at programme level, building upon the delivery of programme entity outputs and services. The new feature is the coverage of regional dimensions and the inclusion of achievements through extra-budgetary resources at Programme level.

Regarding content, overall delivery under the Regular Programme included full utilization of budgeted resources - 99.9 percent of the appropriation was spent. Delivery under the Technical

Cooperation Programme reached its highest level ever, and expenditure of extra-budgetary resources increased by 2.4 percent driven by a significant increase under trust funds not linked to emergencies. Thus, the Organization was able to utilize all the resources put at its disposal in the biennium.

Areas of main achievements under Chapters 2, 3 and 4 include implementation of global instruments such as CODEX, the IPPC, the Rotterdam Convention and the International Treaty on Plant Genetic Resources. Direct assistance to countries was facilitated by TCP and Trust Fund Projects.

Many programmes had to adapt in response to serious global and regional emergencies, including Avian Influenza, Desert Locust outbreaks through EMPRES, the impact of the Tsunami in Southern Asia and other natural disasters. The redevelopment of FAOSTAT, the growth in the use of WAICENT and the initiation of Ask FAO and Best Practices services contributed to FAO's role as a Knowledge Organization.

Gender concerns were further mainstreamed through awareness raising, capacity-building and the development of knowledge systems.

Areas of main achievement under Chapters 5 and 6, include successful implementation of the Split Assessment Mechanism, a major technical upgrade of the Oracle-based financial systems, and streamlining of procedures in such areas as invoicing and payments.

There was steady progress in developing the Human Resources Management System supported by arrears funding. Improvements in Human Resources Service Delivery were formulated based on a new Human Resources Management Model. This lays the groundwork for future cost and efficiency savings in administrative processing.

The Organization also had to take decisive action during the biennium to ensure a safe and secure working environment for staff in all locations. Security expenditures totalled about US\$19 million, more than double the previous biennium. They covered FAO's share of the UN Department of Security and Safety, measures for increased safety and security of staff at headquarters and provision of security equipment and facilities in the field.

The Programme and Finance Committees expressed satisfaction with the reported achievements in the biennium, including full utilization of budgeted resources and endorsed the PIR 2004-05 for transmission to Council.

The Secretariat stands ready to provide any clarifications required by Council in considering the PIR 2004-05 for transmission to the 2007 Conference.

## **CHAIRMAN**

Thank you very much. Now I would like to invite Mr Khawaja, Chairperson of the Finance Committee. He is not here yet so we will start with Mr Heard, Acting Chair of the Programme Committee to summarize the conclusions of the Programme Committee.

### **Victor C.D. HEARD (Chairman, Programme Committee)**

The Ninety-sixth Meeting of the Programme Committee considered the Programme Implementation Report. The new and even shorter version than in previous year, the more focused version was welcomed.

It was recognized by the Committee that indeed all of the advice that was given by previous Committee Meetings had been taken into account in reshaping and reformulating the Programme Implementation Report and this produced, we felt, greater clarity in a number of areas and a number of aspects of the Report.

Our discussion of the Technical Cooperation Programme we thought was especially fruitful. This resulted in a request for future Programme Implementation Reports to show how TCP-related to areas of FAO's mandates and their catalytic role.

Now, in the course of the Council so far, I have heard several references to the Technical Cooperation Programme under spending or running cold at the moment. There was certainly no sign of this when we looked at the PIR in the previous period and presumably it is a new feature. I hope that this will be an issue that can be clarified and, perhaps, illuminated a bit when the next PIR comes out.

Ladies and Gentlemen, we also requested that future Reports find some way of articulating to a greater extent the actual achievements against the expectations. Possibly, this might use the auto evaluation data which, I think is now mainstreamed in FAO and would provide some sort of quantitative means of saying how things have been done, how well they have been done and, how effective they were expected to be.

We also hoped that there will be more information on joint working collaboration, joint activities between the three Rome based Agencies and also a clearer presentation of the regional dimensions of FAO's output.

I would like to thank the Secretariat for the efforts they made to answer, sometimes rather naive questions, including the explanation of why quite interestingly and very positively some of the outputs reported in the PIR, actually exceeded the plans, which I think is a point worth making.

#### **CHAIRMAN**

Thank you very much, since Mr Khawaja is not yet here, I would think that the Finance Committee's discussions are summarized in the Finance Committee Report of September 2006 in paragraphs 44 to 48 of CL 131/7.

I would like to open the debate, Mr Khawaja has not yet arrived but you know you can read the Report. You have the floor.

#### **GUO HANDI (China) (Original language Chinese)**

First of all the Chinese delegation would like to thank the Secretariat for providing this high quality Report.

We believe that this Report has a very clear structure from the perspective of organizational performance and programme implementation. It has introduced the programme implementation situation with a very rich content and priorities. It clearly indicates FAO's activities in all areas from the year 2004-05, including the resources and support costs in field programmes, savings and cost efficiencies, FAO language policies Professional geographic representation and gender balance and the arrears.

We express our satisfaction to this Report.

The Chinese delegation has noted that the representation of the relative low staff. We believe that in Asia and the Near East there is insufficient representation of FAO. We express our concern. We hope that the Secretariat will address this long standing issue, so as to ensure the reflection of the principle of efficiency quality and geographic balance.

The Chinese delegation appreciates all the efforts made by the Secretariat to ensure the equality and the balance in the use of the FAO language which was reiterated at the Thirtieth Session in 1999. I would like to express our support to the Secretariat for their work and, at the same time we have also noted that within the Paragraph 83, the Chinese entries for FAO's Website is obviously less than other languages. We hope that the Secretariat will make some improvement.

#### **Ludovic CARBODIÈRE (France)**

Je vous prierai de bien vouloir donner la parole à la délégation de la Finlande qui s'exprimera au nom de la Communauté européenne.



**Pekka HIRVONEN (Observer for Finland)**

I speak on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey associate themselves with this statement.

First of all we would like to thank the Secretariat for the Programme Implementation Report which now follows a new format and is more compact than the previous reports. The EU notes positively that many of the concerns raised in our intervention two years ago have been addressed in the report at hand.

The Programme Implementation Report is an important tool for communicating the achievements of the Organization to the Governing Bodies and also to other interest groups. It is the only Report combining the financial performance inputs and outputs of the Organization, it also screens the achievements *vis-a-vis* the plans and can therefore provide an efficient tool for future planning and budgeting.

The Programme Implementation Report provides, however, only a partial picture of the performance because it remains a descriptive level with a limited analytical content.

Biannual Programme Evaluation Report and other evaluation Reports are expected to shed light on the effectiveness and impact of FAO's work.

The EU appreciates this division between the Reports, however, since they are discussed in separate Council Meetings, the debate would benefit from a more analytical approach also in the Implementation Report.

We are pleased to notice the disbursement rate of the funds in general and under the TCP in particular which indicates that planning and budgeting have been rather realistic in relation to the delivery capacity of the Organization. The more equal geographic staff representation is a good principle, but we also strongly encourage FAO to continue employing experts based primarily on their qualifications. We urge FAO to focus also on improving the gender balance among the professional staff to continue the initial positive development in this regard.

The EU has expressed concerns about the fragmentation of the FAO's programme into too many activities and outputs, and as a consequence thinly in the spread resources. The EU strongly recommends that FAO adopts a strategic approach leading to a more focussed prioritization of objectives and activities. In addition to prioritization, another solution is to carry out the work in larger entities to reduce the administrative burden and costs.

Monitoring and evaluations are also more meaningful when reviewing larger entities. The number of planned outputs is advisable to adjust according to the Organization's resources, delivery capacity and expected results and impacts. The activity or output number as such is not the best possible measure to assess the organizational performance.

The knowledge and advice FAO provides to its Member Nations has been considered neutral and as such valuable. FAO's capacity to produce and synthesize such information should be maintained and enhanced, disseminating this information and supporting the capacities of the Member States in assessing and utilizing it are also crucial. There is an organic relationship between these two functions which need to be well-balanced to ensure the maximum impact of FAO's work.

**Christer WRETBORN (Sweden)**

Sweden now speaks on behalf of the Nordic countries, Denmark, Finland, Iceland, Norway and Sweden. We fully align with the EU statement on this item, however, we would like to comment on a specific point. Agriculture and Rural Development is the main road to combat hunger and poverty in the world and thus to reach Millennium Development Goal One, it is a basic fact that agricultural development is central to increase the income of the poor and to eradicate extreme poverty and hunger.

Fundamental for real progress in this context is our understanding of gender inequality in excess to factors of production, rural poverty and food insecurity. Many women are among the poorest of the poor, in many parts of the world, women comprise a majority of those working in the agriculture, local markets and with food supply. Women are for different reasons often more exposed to hunger and under nourishment than others. Unfortunately, this basic fact is often overlooked when it comes to contributions toward agriculture and food supply.

As you know, gender issues and gender equality are traditional Nordic priority areas. It is necessary to consider gender aspects during all stages of a project and a programme, from all the initial stage of formulating a project to the final stage of evaluation. It is necessary to adopt a gender approach in all activities. Rather than focussing exclusively on either women or men, we must consider the situation of both women and men. This, it is not a matter of adding women or men into existing projects and programmes but reshaping them to reflect the varying interest and needs of women and men.

However, the gender perspective is in our opinion still conspicuous by its absence. Nothing of this so called gender mainstreaming is reflected in the present Report. The information of programme 2.5.2 Gender and Population does not indicate in what way gender mainstreaming has been taken into consideration, the impact and result of general aspects and in what way recommendations of evaluation in this aspect have been taken into account. The Nordic countries encourage the FAO Secretariat to improve future Programme Implementation Report in this respect.

Furthermore, we understand from the Report that the gender balance of Professional as well as General Service Staff is not satisfying. As is evident from the information in the Programme Implementation Report, more than half of the General Staff of FAO, 66 percent are women, thus on this level there are less men than women. Efforts must be made to achieve an adjustment on this level.

According to the Report, efforts during the last five biennia have resulted in a steady increase of women in Professional posts at headquarters, on the Professional level, female Professionals at the headquarters consist of remarkable small share of the total staff, 31 percent, especially when considering that these implies an increase of 11 percent during a decade. Even if you also include staff at the field level, the increase during the decade is still around 11 percent, that is from 18 percent to 29 percent. There are still too few women on higher grade levels, 31 percent which is not acceptable. Steady increase! Yes! But the progress is too slow and the results, in our view, moderate.

From the Report we find out that there is an increasing number of qualified women in the technical fields of the Organization that allow them to effectively compete for middle and entry level positions. As older staff retire, women on lower levels are expected to move into senior office positions vacated. The basis for improvement in gender balance at higher grade levels which should show significant results over the coming years, has therefore been put in place according to the Report.

This is a wait and see approach that is not acceptable in our view. In the opinion of the Nordic countries, the Secretariat has to actively accelerate the process of implementing the plan of action in a more positive way. The Nordic Countries will carefully follow this development.

And finally, a personal reflection, when I raise my eyes from this text and look at the composition of the panel in front of us, I realize that we have a long way ahead.

**Javad Shakhs TAVAKOLIAN (Iran, Islamic Republic of)**

I am speaking on behalf of the Near East Group Region.

The PIR 2004-05 is shorter than the previous version and hence cost saving. Compared with the PIR 2002-03, the two different features of PIR 2004-05 are the elimination of the section on corporate strategies and the alteration in the treatment of the regional dimensions. We agree with the first change but maintain our reservation, about the elimination of the separate section on achievements in each region.

If I wish to know what were the achievements of the programmes under Chapter 2 in the Near East Group Region, I am obliged to extract the information from the 23 programmes covered in pages 45 to 96.

With respect to the Summary of Programme Implementation some changes have been introduced. The financial table for each programme remains the same. The section on the achievements has been shortened and a new section on regional impact has been introduced. Likewise, there is a new section on extra-budgetary resources. We support these alterations because it improves the specificity of outputs.

Some other good features of PIR 2004-05 are, field expenditures increased, the share of Chapter 2 in total expenditures remained steady, non-emergency trust fund expenditures shot up dramatically by 34 percent when compared with 2002-03.

However, some aspects of PIR 2004-05 raises some concerns, such as expenditures of headquarters increased in comparison with the expenditures in the regional offices, the ratio of the field expenditures to that of the regular programme declined to 2 in comparison to 2.5 in 2002-05, emergency trust funds declined by 23 percent due to the reduction and final closure of the Iraq Oil for Food Programme.

**Pedro Agostinho KANGA (Angola)**

Le rapport qui nous est soumis pour analyse nous présente d'une manière exhaustive les activités et l'utilisation des ressources par la FAO et reflète la bonne gestion de l'Organisation. Il contient plusieurs informations nécessaires et utiles pour sa compréhension. Nous nous félicitons de la forme concise du document aussi bien que la forme concrète dont les réalisations sont présentées et l'insertion des passages sur les dimensions régionales et sur les ressources extrabudgétaires à l'échelle des programmes. Ma délégation félicite la FAO qui, malgré les moments difficiles qu'elle connaît, dus à la réduction de ses ressources, cherche toujours des gains d'efficacité. Le paragraphe 5 du résumé nous indique qu'au cours de ces dernières années l'Organisation a accumulé environ 60 millions de dollars par an réalisés dans plusieurs domaines. La mise en application des principes en matière de représentation géographique des Etats Membres au sein du personnel, conséquence de la résolution de la Conférence de la FAO à sa trente deuxième session en 2003, est également un autre point à mettre à l'actif du Directeur général. C'est pourquoi, ma délégation encourage le Directeur général de la FAO à poursuivre ses actions et faire en sorte que le taux de 29 pour cent du personnel féminin puisse arriver à un niveau supérieur lors de la prochaine Conférence en 2007.

D'une manière générale notre délégation est satisfaite des réalisations au cours de l'exercice 2004-05, ainsi que l'utilisation totale des ressources inscrites au budget.

Parmi les programmes de la FAO sur lesquels les pays en développement insistent au cours de sections des organes directeurs de la FAO figure sans doute le programme de coopération technique. Ma délégation doit présenter ici ses préoccupations sur la tendance des fonds alloués partant dans le tableau 2; les dépenses imputables pour créer les PCT en 2004-05 ont connu une baisse de 15,7 millions de dollars. Une fois de plus, ma délégation lance un appel aux organes compétents pour renverser la tendance.

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**Brett HUGHES (Australia)**

Australia would like to make a few brief comments on the Programme Implementation Report (PIR).

Australia welcomes the 2004-05 PIR, which we consider provides an important accountability tool for the Membership and an effective window to the activities of FAO over the last biennium.

Overall, we consider the PIR to be a very comprehensive and useful Report. The more focused format of the 2004-05 PIR is a welcome development, as is the integration of reporting on regional dimensions and extra-budgetary resources at the programme level. However, we also consider that there are a number of areas where the PIR could be improved in future editions.

In this regard we would wish to emphasize the importance of the Programme Committee's request for improvements in reporting on programme implementation in the next version of the PIR, in order to help better understand what FAO does and to assess the effectiveness of delivery and progress in achieving outcomes.

We look forward to seeing in future PIRs the articulation of programme achievements or lack thereof in the context of planned and expected results, including quantitative analysis of outputs produced and the results of auto-evaluations. We would also like to see a greater focus of outcomes reporting in the PIR.

Australia would also like to emphasize the Programme Committee's request for a more in-depth analysis on the contribution of the Technical Cooperation Programme projects to areas within FAO's mandate, including the overall catalytic role in relation to FAO programmes.

We consider this an important issue given the continued poor coverage of the TCP in the Organization's planning and reporting documents. In fact, the entire extent of reporting on this key programme amounts to only seven pages of aggregated information and its format of reporting is inconsistent with other sections of the PIR, which focuses on reporting of achievements and regional dimensions; both are missing in the reporting on TCP activity.

We also do not see any evidence in the PIR of the effectiveness of the use of TCP funds, including how TCPs had a catalytic effect and how they complemented other sources of assistance.

We would also wish to see a breakdown of expenditure for TCP to support claims that the funding supports capacity-building for normative work, such as CODEX, IPPC and International Treaty on Plant Genetic Resources.

The TCP has an important role to play for FAO Members and we consider that a transparent and open Report on the operation of it is not only important in terms of accountability but also as a way of improving the understanding of the operation and effectiveness of the programme overall. This is in all Members interests.

Finally, we also welcome the Programme Committee's proposal that future Ministerial Meetings should not be convened automatically but only when there is sufficient justification for Ministers' engagement.

**Ben KAPITA (Zambia)**

I thank you for giving me the opportunity to contribute to the debate on the Programme Implementation Report (PIR) of 2004-05 as contained in document C 2007/8.

Zambia welcomes the document which is the PIR for 2004-05 biennium. It is a good Report as it provides us with detailed information on FAO's financial performance and delivery outputs and outcomes covering resources and activities under the Regular Programme and extrabudgetary funding.

We pay tribute to the Secretariat for this comprehensive Report and we urge the Director-General to continue with this good work on behalf of the hungry and undernourished.

I wish to draw your attention to the issue of geographical representation of Member Nations among FAO staff, as highlighted in the Report Annex 2 pages 159-162. The Report informs us that, as at the end of 2005, there were eleven countries that exceeded the top of their range or were over represented; seventeen were under- represented and thirty one were not represented. My delegation would like to know whether the Secretariat is making any effort in balancing

representation in the Organization, particularly for those countries that are under-represented or that have no representation at all.

Secondly, while we fully understand the new methodology for the calculation of representation in the Organization, as contained in paragraph 395; this method was effective from 1 January 2004.

My delegation is, however, concerned that senior positions at the level of director and higher – that is the senior positions D1, D2 and ADG - has curbed its advantage of Africa. To give specific figures – out of twelve ADG positions Africa has only got two, those are our colleagues in Egypt and Nigeria, in that category which represents only 16 percent. Out of forty-four positions in D2, currently Africa contributes only eight, representing 18 percent; and out of 113 D1 positions Africa has only 20 positions, representing 17 percent. Thus, out of the 169 senior positions in FAO that is in D1, D2 and ADG positions, Africa only occupies thirty of them. I would like to be guided by you were these senior positions are reserved for specific countries or continents as we are of the opinion that Africa is being discriminated in terms of allocations of senior positions.

Speaking for my country, Zambia, as an example, the country has only two P4 positions and one P2 and we have no one at D1, D2 or even ADG level.

With regard to the Technical Cooperation Programme (TCP), I would like to congratulate FAO for successfully implementing 94 percent of its planned output in the last biennium, as well as implementing further 131 planned outputs.

The Report tells us that FAO was able to make positive regional impacts in many fields, including integrated production systems, natural resources, crops, livestock, agriculture support systems, nutrition, food quality and safety, food security and trade policy, fisheries and aquaculture and forestry, just to mention but a few.

While several achievements have been highlighted under different clusters, my delegation has observed that the chapter under Technical and Economic Cooperation would have been more complete and balanced if it had included failures and challenges encountered before or during implementation of various programmes. Thus the Report should have given us a balanced picture.

**Minoru MIYASAKA (Japan)**

Japan would like to make a short comment on the Programme Implementation Report (PIR) 2004-2005.

The delegation of Japan appreciates the Secretariat's effort to compile the comprehensive and compact Report of FAO activities in the last biennium.

Japan appreciates the gradual improvement, in particular, simplification of the Report in order to secure the transparency and accountability of FAO. However, Japan has to point out that this Report does not provide sufficient information on the Technical Cooperation Programme (TCP) in chapter 4.

Japan considers that this Report should include comprehensive information on Technical Cooperation Activities, including the number of programmes and the total amount of budget for each recipient country, in order to secure transparency and accountability of FAO.

Japan expects that the Secretariat will make further efforts for the improvement of the PIR to increase transparency and accountability of FAO activities.

Finally, I would like to insist that Japan always expects improvement of the geographical representation, which is referred to in paragraphs 88-90 in the PIR document.

**Willem BRAKEL (United States of America)**

The Programme Implementation Report (PIR) is an oversight Report that we take seriously and we certainly appreciate the fact that the current Report is shorter and more focused than previous editions in line with the guidance provided by the Programme and Finance Committees.

We participated in the discussions of this document in the Finance Committee and we have also heard a lot of very valuable and interesting comments and questions from around the room today. In the interest of time I am not going to add anything to that, I think we would be interested in hearing the Secretary's reaction to what we have heard thus far from the Members.

But let me just say that the PIR by setting out concretely in one document the work carried out by the Organization in the previous biennium provides an impressive record of the depth and breadth of FAO's work in carrying out its mandate.

As Members of the Council, exercising our oversight responsibilities we sometimes find it necessary to criticize and suggest strongly that changes or improvements be made to the Organization or its programmes or activities. That is of course our role. But the PIR also reminds us of how much valuable and important work FAO does and continues to do for its Members and the global community.

In looking over the accomplishments of the past biennium, we wish to put on record our gratitude to the men and women of this Organization for their commitment and hard work contributing to the well-being of us all.

**Ms Ligia Maria SCHERER (Brazil)**

Firstly, let me thank the Secretariat for their useful and comprehensive Report.

My delegation would like to intervene on a very specific topic; it is on Programme 2.4.1. Forestry Resources. In paragraph 212 there is a reference to the development of Code for Planted Forests and Codes for Fire Management.

As my delegation already had the opportunity to state, in the context of another agenda Item, these Codes are being promoted without a clear mandate and without consultation with Member Nations.

At the Twenty-fourth Meeting of FAO's Commission on Forest for Latin America and the Caribbean, held in Santo Domingo last June, Brazil already underlined that it does not favour the adoption of Code concerning forest matters.

The reasons Brazil presented included: one, the Codes are not contemplated in the final Report of the Sixteenth Session of FAO's Committee on Forests. As such, there is a lack of mandate given by Member Nations to the Secretariat to carry out the task; two, the Codes have not been formally presented by the Secretariat so that they could be assessed by the competent national authorities.

Other countries at the same meeting were of the same view, or similar view.

Brazil reiterates that the process of elaboration and dissemination of proposals of Codes on Planted Forests and Management of Forest Fires lacks transparency. It has not allowed a due Assessment until now by the parties concerned. We consider that this situation would not be very conducive to healthy discussion on the all-important issue of forests.

Furthermore, there are very important discussions now in other fora on forests, specifically the United Nations Forum on Forests, that have been developing process of negotiation of legally non-binding instruments. That is another reason why my delegation believes that it is not appropriate for this exercise to be conducted as its being conducted right now.

**Paul MURPHY (Canada)**

My delegation thanks the Secretariat for the preparation of the Programme Implementation Report (PIR). Overall, we found the document both concise and thorough.

We would comment on two areas.

First, we associate ourselves to the comments of the delegation of Australia, as it relates to the coverage of the Technical Cooperation Programme in the PIR.

Secondly, I have a question related to paragraph 49 of the PIR and I apologize if this point was raised and dealt with the Programme Committee. Paragraph 49 notes a sharp increase in the cost

of Technical Support Services, apparently not in proportion to the overall growth of the Field Programme. As noted in paragraph 51, reimbursements for Technical Support Services, while they grew sharply, fell far short of what was needed to fully reimburse. My question for the Secretariat is this: does the Secretariat have a target in terms of reimbursements for Technical Support Services and does it have a plan for getting there?

**Jesús Eugenio HUERTA GONZÁLEZ (México)**

Mi delegación agradece el Informe presentado por la Secretaría. Vemos con satisfacción que se sigan aplicando las recomendaciones del Consejo respecto a la presentación de informes, de reducción en extensión y el carácter puntual de los temas ahí abordados, dando cuenta así de la forma, aunque sea general, de cómo se utilizaron los recursos financieros por la Organización y los sectores de actividad. Pero vemos también con preocupación, la tendencia observada de reducción de las asignaciones presupuestales al Programa de Cooperación Técnica durante el bienio 2004-05.

Por ello, México hace un llamado a la Organización para que presente alternativas que favorezcan el PCT, que fortalezcan las actividades técnicas que constituyen el centro de la labor de apoyo de la FAO a sus Estados Miembros.

**Sra. María DEL CARMEN SQUEFF (Observador de la Argentina)**

Voy a ser muy breve. Quiero apoyar la moción de México, especialmente lo que hace referencia al PCT porque estimamos que es una herramienta fundamental para la FAO que se manifiesta en los aspectos normativo y operacional. Ninguna norma que se aplique en el plano normativo va a poder ser una realidad y, sin el plan operativo, no se ayuda a los países a conocerla y saberla aplicar. En este sentido, el PCT tiene un amplio trabajo además de la ayuda al desarrollo.

**Victor C.D. HEARD (Chairman, Programme Committee)**

I have no answers but I just wanted to note that the comments made on the TCP – in particularly on the sort of the results-based approach suggested by Australia and supported by Canada – is very much the kind of thing that the Programme Committee was discussing and the sort of thing we want. I think this is the kind of approach that would respond to Zambia's question about including the failures and challenges confronted by TCP in the Report.

**Manoj JUNEJA (Director, Programme, Budget and Evaluation Division)**

Allow me to express my deep appreciation to Members of the Committee who have made some extremely constructive comments on this Report and, of course, to acknowledge the observation made by the Representative of the United States of America under this item.

Turning first to the question of the format of the Programme Implementation Report (PIR), I wish to thank Members for acknowledging that the Secretariat has taken fully into account the previous guidance that has been provided by the Governing Bodies. With regard to further suggestions on improvements in the format, the Secretariat has taken careful note of the observation made by the Representative of Iran, speaking on behalf of the Near East, on the articulation of regional dimensions, which you may recall, have been integrated into the programmatic presentation in the document, following the guidance of the Governing Bodies, to make the document shorter. We will try to find a way of addressing the concern raised.

Regarding the observations made by the Representatives of Japan and Australia – amongst other speakers – on TCP, I should like to mention that, indeed, the Secretariat is committed to improving the reporting on the Technical Cooperation Programme in the next PIR. There are ways in which this can be done. For example, all Technical Cooperation Projects are assigned a Programme Entity code which provides a way of showing how TCP projects contribute to the substantive Programme Entities of the Organization and, therefore, how they contribute also to the normative activities.

The question of TCP financial reporting, as raised by the Representative of Japan, is already addressed in the audited accounts of the Organization. I would refer the distinguished

representative to document C 2007/5, where Annex 1 and Annex 2 of the Audited Accounts provide comprehensive financial information on the status of Technical Cooperation Projects that have been funded against the appropriations. This information is provided, not just by country but also aggregated by region.

The question of failures and challenges, for example, with regard to the Technical Cooperation Programme, is addressed in thematic evaluations and country evaluations that are undertaken under the leadership of the Evaluation Service. I might suggest that Evaluation Reports would be a more apt place for addressing such information than the PIR.

Having said that, in response to the observation made by the Representative of Australia, we acknowledge that it is important to reflect in the Programme Implementation Report more information on lessons learned and perhaps some occasional failures. Information on auto-evaluations together with our quantitative reporting in the Programme Implementation Report could address this.

We have also taken due note of the many points raised regarding language balance, geographical representation, gender balance and, indeed, gender issues. The Director of the Human Resources Division is at the podium to provide more information on human resource matters, with your permission.

The Representative of Sweden referred to gender issues in FAO's programmes and how they are mainstreamed in our programmes. The Gender Plan of Action sets a framework for achieving gender related objectives in agriculture and rural development. This is addressed in three ways in programme planning: first, by linking gender issues to biennial outputs in every Programme Entity of the Organization; secondly, by linking them to our extra-budgetary projects, which is ensured through a FAO Committee – the PPRC; and finally by reporting to the Conference every biennium on the implementation of the Gender Plan of Action.

We would seek to include some information on gender mainstreaming in the PIR to the extent, however, that it does not duplicate other reporting processes to the Governing Bodies, such as our reporting on the Gender Plan of Action.

The Representative of Finland, speaking on behalf of the EU, referred to fragmentation of outputs, which might be too thinly spread. I am pleased to report that the total number of planned outputs in 2004-05 – as reported in Annex 1 of the document – has fallen to 1,110. This compares with planned outputs in the previous biennium of 1,682. That is at 34 percent reduction in planned outputs over the two biennia. We have, therefore, had substantial improvement in terms of consolidation.

I am also pleased to say that if we look further into the current biennium 2006-07, there will be a substantial reduction even in the number of substantive Programme Entities – from 261 to 186 in 2006-07 – which will also result in much greater consolidation and fewer overhead costs, in terms of implementation reporting. I also agree that eventually, in terms of reporting on achievements and outcomes, such consolidation should give us a better basis for such reporting.

There was a comment made by the Representative of Angola with regard to table 2, on TCP expenditure. I am pleased to clarify that, in fact, in 2004-05 TCP expenditure reached a historic maximum when compared with all previous biennia – of US\$115 million. The TCP expenditure in 2004-05 had grown rather than fallen.

Finally, the Representative of Canada referred to paragraph 49 of the document in seeking clarification on Technical Support Services, our costs and the reimbursements.

Technical Support Services are a mandated constitutional requirement of services for the Organization to provide to Members. With regard to expenditure therefore, Technical Support Services provided as part of the Constitutional mandate are funded from the Regular Programme itself and much of the planning is in fact done in what we call it the Technical Support Programme Entities that are included in the Programme of Work and Budgets. So they are planned as such in the Programme of Work and Budget without expectation of reimbursement.



The reimbursement that is sought is in the first instance, reimbursements of technical support services provided to TCP projects so that Technical Divisions have an incentive to contribute to TCP projects; and more importantly, reimbursements from voluntary funded projects - extra-budgetary projects - where the Council, as part of our efficiency savings measures, has encouraged the Secretariat to get a full reimbursement for Technical Support Services provided by Technical Divisions to voluntary funded projects. In that regard, it is difficult to have a pre-established target for a biennium because the work is demand driven vis à vis the extent of extra-budgetary funding available.

This concludes my response, Mr Chairperson. The Director of Human Resources may wish to add some comments and I note that there was a question raised by the Representative of Brazil, which the Assistant Director-General of Forestry Department may also wish to address.

**Julio CAMARENA-VILLASENOR (Director, Human Resources Management Division)**

At the outset I would like to address the questions raised by the Distinguished Delegates with regard to equitable geographical distribution and gender balance. Indeed, the paramount consideration for the recruitment of staff at FAO is the recruitment of staff with a high standard of efficiency, effectiveness and professionalism. In that context, the Organization also takes two major parameters into consideration equitable geographic distribution and gender balance. The Organization in that context has taken proactive measures to ensure that these two parameters – equitable geographic distribution and gender balance- are maintained in the context of the composition of the FAO Secretariat. The process is challenging. It is challenging because these parameters can only be improved in the context of the actual new recruitment that we have in the Organization and, at the same time, a reflection of natural attrition. The concept of equitable geographic and gender balance are therefore addressed, addressing both, new recruitment and natural attrition coming thereto the formulas that you note.

The Organization has taken proactive measures to improve equitable geographical distribution. The methodology for determining the formula to calculate what was modified. The Organization is constantly trying to address the recruitment of staff all over the world, by issuing a Vacancy Announcement in every region, especially in those Member Nations which are under and not represented by ensuring that we are issuing Vacancy Announcements in major periodicals, the internet, and in trying to ensure that the staff members or potential candidates of countries that are not represented are attracted to the vacancy process. However, the results are limited because of the recruitment slow down that we have had. As our recruitment becomes accelerated, the results can be more actively addressed. However, we are still pleased to inform the number of staff which are equitably represented in the FAO Secretariat, has increased in the last biennium. Today we only have fourteen Member Nations over-represented. In the past, we had larger numbers and we are proactively trying to address those Member Nations where we did not have a representation. In that context, we are also undertaking special missions to all the newly enlisted Members of the Organization and special missions to those countries which have no representation in the Secretariat.

With regard to gender balance, the issue is pretty much the same. Gender representation in the FAO Secretariat can only be improved in the context of both, actual recruitment and natural attrition. You will recall that the goal that the Member Nations had set with regard to gender representation had been at 35 percent. In that context we are pleased to inform that today, we have achieved 33 percent of the actual recruitment. But our endeavours are narrow; we are proactively trying to increase the percentage of Professional women in the Organization, and while our figure of 33 percent remains as such for headquarters, we have a challenge at the Field but we also need to increase them. We are actively therefore, trying to increase gender representation both at Headquarters and in Field. And, in that context, we are pleased to inform that in the last two years, we have been able to actually recruit, of all of the recruitments that we have made at FAO, 40 percent of the Professional staff recruited are women. Now, we need to continue that approach, we need to continue those efforts so that the actual figure, the actual 33 percent that we have can increase. It will only be addressed of course, through natural attrition and new vacancies, our

efforts will continue to be proactive so that we could finally come to the figure that we eventually want to arrive at.

**Jan HEINO (Assistant Director-General, Forestry Department)**

Thank you Mr Chairperson and thank you Brazil for putting this question on the Codes. Yes indeed, we have work going on, on two codes as the name is today. One on Forest Fire Management and the other on Planted Forests. In both cases, we have quite a large process which is actually requested by countries and also by many stakeholder groups of different kinds. FAO has during previous decades already made similar codes, one for example, on timber harvesting. There is a discussion going on whether the name code is the right one. If not, we are ready of course to change it since we are in the midst of our process. We do talk about voluntary guidelines. They are not intended to be legally binding, not at all. We have had a large consultation within the regional forestry commissions, all six of them participated in discussing these first drafts. The drafts have been available also at the internet and we have received a lot of feedback and we are of course taking into consideration the feedback.

As for UNFF, which was mentioned also in this context, we do not see any contradiction in relation to the work being done there since we have informed UNFF, the Secretariat also, for example, within the collaborative partnership on forests. But I would like to stress that this work is not ready yet and we are going to come back to the issue next March, when the Committee on Forestry will convene here in Rome, the second week in March and hope then to have in due time before that meeting a finalized draft to be presented.

**Christer WRETBORN (Sweden)**

Yes, I would like to ask a question to the Director for Human Resources. If I understood it right, he said that the new recruitment is 40 percent women. That means that we always have 60 percent men as recruited. And how could you reach your gender balance if you are not recruiting at least 50 percent women? I would like an answer to that question.

**Julio CAMARENA-VILLASENOR (Director, Human Resources Management Division)**

Indeed, we need to increase the percentage. We are happy to report that we have achieved 40 percent. In the past, it was only about 20-25 percent. We are taking proactive measures to increase our recruitment of Professional women. In that context, I am pleased to inform that we advertise all positions in professional associations of women. We are trying to reach organizations, specialized organizations in which we have professional women in place so that we can entice them to apply. We are taking very specific proactive measures so that we can increase that percentage.

**IV. ACTIVITIES OF FAO AND WFP (continued)**

**IV. ACTIVITÉS DE LA FAO ET DU PAM (suite)**

**IV. ACTIVIDADES DE LA FAO Y EL PMA (continuación)**

**12. New International Developments on Pesticide Management (CL 131/17)**

**12. Faits nouveaux à l'échelon international concernant la gestion des pesticides (CL 131/17)**

**12. Novedades en el plano internacional relativas a la gestión de plaguicidas (CL 131/17)**

**CHAIRMAN**

I think we can now forward this Report to the next Conference and I am concluding this Item and going forward to the next Item, Item no. 12: New International Developments on Pesticide Management, CL131/17. Item no. 12, I repeat, it is document CL131/17. I would now like to ask Mr Pandey, Director of Plant Production and Protection Division, to introduce this Item.

**Shivaji PANDEY (Director, Plant Production and Protection Division)**

You have before you a document, CL 131/17, which informs you of recent international developments relevant to FAO's role in pesticide management. With me on the podium are my two colleagues, Bill Murray, Senior Officer of the Rotterdam Secretariat and Gero Vaagt, Senior

Officer of the Pesticide Management Group and of course my ADG, Mr Müller, sitting on the other side. Mr Chairman, I will be brief. The first section of the document in your hands concerns the Rotterdam Convention and the conclusion of a Memorandum of Understanding between FAO and UNEP on arrangements of the Secretariat for the Convention. The Joint Secretariat has been hailed as a unique example of cooperation between any two UN organizations. FAO has had a long-standing involvement in the development and implementation of Rotterdam Convention, which was adopted in September of 1998. The Thirty-second Session of FAO Conference in 1999, supported the primary role of FAO and UNEP in the Interim Secretariat and Convention Secretariat. The 127<sup>th</sup> Session of Council in November 2004, and the 33<sup>rd</sup> Session of Conference in November 2005, were also informed of progress in the development and implementation of the Convention including the decision for the arrangements of the Secretariat. The relevant documents were CL 127/4 and C 2005/INR/17, respectively.

The Rotterdam Convention entered into force on 24 February 2004. As of November of this year there are 111 parties to the Convention. The first Meeting of the Conference of Parties accepted the offer of the Governments of Italy and Switzerland to host the Secretariat in Rome and in Geneva. In line with Article 19 of the Convention, invited the Executive Director of UNEP and the Director-General of FAO to make arrangements for the Secretariat.

A Memorandum of Understanding (MOU) was developed between FAO and UNEP on the Secretariat for the Convention based on that arrangement which has been in place since 1992. FAO part of the Secretariat has primary responsibility for pesticides, while UNEP deals with all other chemicals. The MOU was signed by the Director-General of FAO and the Executive Director of UNEP in 2005.

The Third Meeting of the Conference of Parties was held recently from 9 to 13 October in Geneva. The important role played by FAO in the operation of the joint Secretariat was noted as was the significant role of Regional Offices of FAO in the delivery of technical assistance to Member Countries. The Conference invited the Governing Bodies of UNEP and FAO to continue their support for the operation of the Convention and its Secretariat in 2007-08. This has been foreseen in the 2006-07 in the AGP budget in the Organization under programme R82CP02003.

The second section of the documents in your hands concerns a completely new initiative that has to do with the Strategic Approach to International Chemicals Management or SAICM. SAICM adopted by International Conference on Chemical Management, or ICCM, in February 2006. More so, a multi-sectoral approach to the sound management of chemicals including pesticides. It will thus have an impact on the agricultural sector, on national regional and international activities related to pesticides, especially in the implementation of the International Code of Conduct on Distribution and Use of Pesticides. Copies of that Report are available outside at the Document Distribution Desk.

I would like to draw your attention to the Global Plan of Action, especially the core of SAICM which defines 36 areas of work covering more than 300 individual activities with direct or indirect impact on the agricultural sector. Countries have been invited to nominate a SAICM focal point to ensure coordination at national level among the agriculture environment and health in developing national plans and actions for implementation of SAICM.

As a first step Member Nations may wish to see to what extent their focal points reflect the interests or needs of the agricultural sector. The significance of that will become clearer to you in a few seconds.

In developing SAICM, FAO has actively represented the agricultural sector through its Membership in Inter-Organization Programme for the Sound Management of Chemicals (IOMC). The IOMC provides a mechanism for fostering a multi-sectoral approach to chemical management at international level. However, the national delegations that participated in the development of SAICM for the most part did not include representatives from agricultural sector. You can see from the list of the focal points when you get the document, the implementation phase of SAICM would still appear to be largely driven by environmental sector.

In order to avoid unnecessary duplication of effort and to make efficient use of available resources, there is a need for the agricultural sector to become engaged in SAICM at a national level. It is important that environment and health sectors are made aware of existing structures and mechanisms in place for pesticide management in our Member Nations. Effective coordination and collaboration in an agricultural environment and health sectors is the key to sound pesticide management.

As SAICM enters implementation phase, FAO foresees a growing demand on its resources at three levels:

One, participating in various subregional, regional and international Meetings with other partners on further development and implementation of SAICM;

Two, courtesy in responding to project proposals and enquiries from Member Nations;

Three, ensuring coordination at regional and international level in particular with UNEP and WHO.

Furthermore, depending on the outcome of discussions here today, FAO could play an active catalytic role in supporting the agriculture sector at national level in the implementation of SAICM. By doing so, FAO would be strengthening coordination between key sectors in pesticide management in particular in agriculture, environment and health and facilitate a multi sectoral approach as envisaged by SAICM.

Finally, I wish to underline the statement made in paragraph 32 in the document in your hands. It would be difficult for FAO to meet the increased expectations of countries under SAICM within our existent Regular Programme Resources.

In conclusion, the Council may wish to note that the joint FAO-UNEP Secretariat-Rotterdam Convention is recognised as a unique example of collaboration, cooperation between two UN Organizations that builds on their respective areas of competence compared to translucent experiences and the relevance of FAO's ongoing work on pesticides is a significant contribution to the activities of SAICM. FAO continues to support activities of Joint Secretariat of Rotterdam Convention and the implementation of SAICM.

We would like for it to be endorsed or otherwise appropriately acknowledged. That statement of appropriate acknowledgement sounds vague but what we are looking for is some guidance from you on what FAO's role is with respect to pesticides;

We are also trying to identify other financial resources outside the Regular Programme including prioritization of work under SAICM for Trust Fund to FAO.

#### **Deo K. RWABITA (Uganda)**

I am seeking for clarification than a statement. Notwithstanding the Rotterdam Convention, the problem of insecticides in the African Continent is facing a lot of problems:

One, the Continent does not have the capacity to produce those insecticides;

Two, when our farmers grow crops for export to Europe there is a very serious non tariff barrier of sanitary requirements and they always say if you use chemical A or B no market.

But my question is, these are drugs made in developed countries and some of them were banned in those areas but yet they produce them and then they sell them to Africa. Why? If a developed country banned them within the area it should be a total ban and therefore produce new drugs that can help our farmers to grow crops which will be accepted on the European market and on the American market.

So, the question is what do we do? We as peasants in Africa, shall we have our crops eaten by insects and so have a total loss. So the problem where we need some clarification and the way forward. Otherwise, the farmers in Africa are at a terrible disadvantage because if we use chemical A or B their food is banned in developed countries' markets and as such you cannot go forward.

So we now would like the clarification, what is the way forward for the African agriculture?

**Ms Maryse COUTSOURADIS (European Community)**

I welcome the opportunity to speak on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

The EU welcomes the information contained in document CL 131/17 on New International Developments on Pesticide Management.

The part of the document dealing with the Rotterdam Convention provides a clear outline of the administrative arrangements that have been agreed with FAO and the United Nations Environment Programme for which they provide the Joint Secretariat. These arrangements have been endorsed by the Rotterdam Conference of the Parties.

The EU would like to pay tribute to the exemplary manner in which Mr Niek Van Der Graaf, the recently-retired FAO-appointed Joint Executive Secretary to the Convention fulfilled his duties. The EU also welcomes the resources that FAO has made available to the Convention and the valuable technical assistance it has provided to the Parties.

However, the EU has one question in relation to Paragraph 6 of the document where it is explained that FAO has established two Trust Funds in relation to the Convention. The Rotterdam Convention in decision COP 1/17 paragraph 1 invited UNEP to establish the Convention Trust Funds. UNEP was given this task because Parties decided that even in a Joint Secretariat there had to be one line of accountability to the parties.

The EU does not dispute the need for FAO to hold Rotterdam Funds, in order to carry out its task effectively and actually accepts that the Memorandum of Understanding on the Joint Secretariat foresees the transfer of part of the Rotterdam budget to FAO. However, the EC would be grateful for confirmation that the Trust Funds established by the FAO are in fact sub Funds of the Trust Funds requested by the Parties to the Convention and that FAO is ultimately accountable to the Parties for the use of the funds.

Turning to the part of the document dealing with the outcome of the International Conference on Chemicals Management held in Dubai, the EU warmly welcomes the adoption of the Strategic Approach to International Chemicals Management (SAICM) and is proud of the role the EU played, with our partners, in reaching agreement on the text.

The EU sees SAICM as a crucial vehicle for meeting the universal political commitment, made at the World Summit on Sustainable Development, that by 2020, chemicals will be produced and used in such a way as to lead to a minimization of significant adverse effects on human health and the environment. SAICM is in part, a means of ensuring that the agricultural chemicals we use, to reach the target under Millennium Development Goal 1 of halving the proportion of people suffering from hunger are soundly managed and allow us to meet MDG 7 on environmental sustainability.

The EU calls on the Council to endorse SAICM so that FAO's expertise can help to ensure a successful implementation, not only with regard to pesticides but also in relation to the sound use of fertilizers.

The EU agrees that it is very important for all stake-holders from all the sectors covered by SAICM, agriculture, industry, health, environment, science, transport, government, labour, business and civil society to become involved. Governments need to ensure that all views are taken into account in national implementation. However, the EU regrets that in paragraph 23 of the document, FAO Secretariat mentions that in many countries the agricultural sector has had minimal involvement in the SAICM process. This is not our experience in general, successful SAICM implementation certainly depends on smooth interdisciplinary cooperation at national, regional and UN level.

The objectives of SAICM and those of the FAO Code of Conduct, on the Distribution and Use of Pesticides, should mutually reinforce each other. This Code of Conduct is globally accepted, since the Code of Conduct has been adopted by all FAO Members, the pesticides industry, public interest groups and other stakeholders and is to be considered as one important element in the SAICM process. FAO should remain proactive in supporting the code of conduct with appropriate resources.

The EU is confident that all at FAO will work with the other parts of the UN family and the SAICM Secretariat to implement the Strategy and calls on the Council to support this.

There is the question of resources, the document draws attention to the SAICM Quick Start Programme (QSP), which was an EU initiative and whose funding has so far come largely from EU Member States. The purpose of the Quick Start Programme, is to overcome the unfortunate fact that among donors and recipients alike, there is not enough awareness of the links between poverty eradication and unsound chemicals management. The EU hopes that the Quick Start Programme will fund projects that raise political awareness of the huge health and environmental costs of unsound chemicals management and point the way to have fees and charges can be used to help cover the costs regularity systems designed to ensure sound use.

Finally, the debate on resources beyond the Quick Start Programme, to help implementation in developing countries, is taking part in the regional SAICM processes and to a lesser extent in the Conferences of the Parties of the Stockholm and Rotterdam Conventions. SAICM is about sound management and best practice, it should be mainstreamed as a priority in FAO 's work programme.

**WANG JINBIAO (China) (Original language Chinese)**

We very much thank the Secretariat for submitting this document, there is no doubt that pesticides make a significant contribution to the development of world agricultural production, however irrational use has an increasingly negative effect on food safety and it is also hazardous for the environment.

FAO and other UN Agencies have drafted a series of multilateral international agreements on safe use of pesticides, and these allow for properly regulated behaviour and protection of exchanges and safety throughout the world.

The Chinese delegation would like to make the following points. Firstly, FAO has always played an important role in promoting capacity building in terms of the management of pesticides in the developing world as well as in other countries. FAO has made a significant contribution to the negotiation, to the signing and the actual implementation of the Rotterdam Convention. Now, if we consider the 41 chemical products which are mentioned in the Rotterdam Convention, 30 are pesticides. We therefore should increase FAO's cooperation, strengthen it by cooperating with the World Health Organization and ensuring that there is no wastage. Now, this is an International Organization that has competence for pesticides and so we should make sure that FAO plays a full role in SAICM.

Furthermore, we will have to make sure that we avail ourselves of FAO's technical expertise and to try to determine what resources can be used and we need to support the department that deals with pesticides and its assistance to developing countries to make sure that these countries are encouraged to use the pesticides in full compliance with the Convention.

Secondly, the rational elimination of pesticides is a matter of world importance and it requires the joint efforts of all countries, both developed and developing countries bear joint responsibility although to varying degrees. The numerous developing countries find it difficult to implement treaty provisions, and they also have experienced difficulties in terms of technology, finances and information, so developed countries and the international community must help them.

Thirdly, the Chinese Government is very much aware of how important it is to safeguard both human health and the environment, we believe that it is necessary to step up pesticides protection in the world at international level. China is a large scale producer and user of pesticides and China

has always prioritized the production marketing and safe use of pesticides. We have taken a positive steps in order to fully comply with the provisions of international treaties and China actively participates in the coordination of international affairs in this regard.

At the Twenty-ninth Session of the Codex Alimentarius, China requested to host the Committee on Pesticides Residue of Codex Alimentarius (CCPR). China in May 2007 will therefore host the annual Session to be held in Beijing. We would be delighted to invite all delegations to take part in this event.

As a host country for the CCPR, the Chinese government undertakes to shoulder all its responsibilities and undertakes to fully manage the pesticide residue question in China, as well as pesticide use. China will promote coordination between the regions in terms of pesticide registration in a bid to ensure that we have international trade of chemicals that is entirely safe.

**Mrs Tritaporn KHOMAPAT (Thailand)**

My delegations wishes to thank the Secretariat for the informative document of the Agenda Item 12 on the New International Developments on Pesticide Management. We also wish to thank the Director of Plant Production and Protection Division for his comprehensive introduction of this issue.

My delegation endorses the Strategic Approach to International Chemical Management (SAICM) adopted at the International Conference on Chemicals Management in Dubai in February 2006. The SAICM will provide a framework for every country to follow in order to accomplish the objectives of the World Food Summit on Sustainable Development, aiming to reduce potential risk to human health and environment by the year 2020.

My delegation also appreciates the more involvement of the agricultural sector in implementing the SAICM. We note that with the limited financial resources, FAO could not contribute to all the activities proposed under the Global Plan of Action of SAICM, therefore, we would like to recommend the FAO to identify and prioritize the work areas that have direct impact on agricultural sector, in particular, the areas of highly toxic pesticides risk management and pesticides programmes that encourage food implementation of the FAO Code of Conduct on Distribution and Use of Pesticides, such as educated pesticide management and a Good Agricultural Practice. In order to support national actions, another important area that FAO should pay attention to is the capacity building such as establishing national or regional laboratory facilities and establishing or strengthening national infrastructure.

**Willem BRAKEL (United States of America)**

The United States of America joined with other governments and representatives of civil society and the private sector last February in the Adoption of the Dubai Declaration on International Chemicals Management.

We believe that FAO has played, and should continue to play, a critical role in the area of sound management of pesticides as set out in the Declaration.

In particular, we commend FAO's activities with regard to the International Code of Conduct on the Distribution and Use of Pesticides, the Integrated Pest Management Programme, the Africa Stockpiles Programme and the Rotterdam Convention Secretariat.

The United States of America has signed the Rotterdam Convention and we are working with our Congress towards ratification.

We also support the Strategic Approach to International Chemicals Management (SAICM) as a voluntary initiative for promoting the science-based management of chemicals. The Dubai Declaration affirmed, and I quote: "We should strive to integrate the strategic approach into the work programmes of all relevant United Nations organizations, Specialized Agencies, Funds and Programmes consistent with their mandates as accorded by their respective Governing Bodies."

As noted in the Report for this Council Agenda Item we understand that there will likely be a growing demand for FAO's expertise in the further development and implementation of SAICM. In view of this, and taking into consideration the non-binding nature of SAICM, we recommend that FAO work to integrate SAICM into its activities to the extent possible within existing resources and that extrabudgetary contributions be invited for additional activities in this area.

**Elías REYES BRAVO (México)**

Agradecemos la presentación que nos hizo la Secretaría de este documento, y reconocemos la importancia de este tema con respecto a la agricultura, la salud y el comercio. Sólo para comentar algo que refleja algunos de los planteamientos aquí ya dados. En el caso de México podemos mencionar que hemos celebrado a nivel nacional ya varios foros en los que participan los distintos ministerios, inclusive por supuesto el de agricultura; esto en razón de la importancia efectivamente multifacética de este tema y no solo el ambiental.

Consideramos pues por esto relevante que el enfoque estratégico sea reconocido y considerado por los organismos especializados de las Naciones Unidas que sea necesario y, por supuesto, en particular que se considere en los trabajos de la FAO.

**Shivaji PANDEY (Director, Plant Production and Protection Division)**

Needless to say, we are grateful for all the comments and suggestions we have received from Members. I get a sense that the Membership realizes that it is not possible to feed the world today without using pesticides, but there is already misuse and abuse of pesticides out there that and causing concerns and risks to human, animal and natural resources. Therefore, you see that FAO and other organizations that deal with pesticides to continue to be engaged in it.

I will try and respond to some of the specific comments that have made and I will pass one question to my colleague, Bill Murray, on the other side, and that is the question from EU about why FAO has established two trust funds. The rest of them I will try to respond to the best I can.

On the comment from Uganda that many countries in sub-Saharan Africa, even though they do not produce pesticides, they get pesticides sometimes as donations, sometimes they buy them and then their products are rejected when they try to export materials treated with those products. This is precisely what FAO is trying to address. The Rotterdam Convention is a Prior Informed Consent procedure. We are telling the 111 countries, and the private sector, that these are hazardous pesticides, so that at least everybody knows what not to buy and what not to treat their products with, because these products will have limited access in the market. I think indirectly we are sending a message to the private sector that they should find an alternate to these 41 or so pesticides; they are dangerous, give us something better.

As our distinguished delegate from Thailand has pointed out, we are working with GAP. We are trying to strengthen the capacity of national programmes of Member Nations to set up standards and follow them.

We are continuing to work on IPM. We do not think that chemicals are always the answer, certainly not the quantities that are being used, therefore we are working with IPM with our limited resources. But, I think our efforts are aimed to ensure that relatively safer pesticides are used and they are used in quantities that are safe to humans, animals and natural resources.

We are aware that there are 40 000 tonnes of obsolete pesticides right now sitting in Sub-Saharan Africa, for example. Therefore, I think the distinguished delegate for the United States of America just mentioned Africa Stockpile Programme. There is a multi-donor huge effort where FAO is a participant to try to find a safer way to rid Africa of those pesticides. We are trying to do what we can in that area.

I am grateful to the distinguished delegate from EU for recognizing the contributions of my colleague, Niek Van der Graaff. We all miss him after 32 years of distinguished service. He retired from the Organization last October, and as I said at the Rotterdam Convention Meeting - and I think the delegate from EU was there too - that we are in the processing of replacing Niek.



We know that he will be one of the most difficult people to replace. We will always miss him, but we will see what we can do in trying to find a suitable replacement for him.

I think the comment about the role of Ministries of Agriculture, Ministries of Health, and Ministries of Environment, that in some countries those Ministries are coming together to talk about pesticides as the delegate from Mexico said. It is happening, in some developing countries and in some it is being initiated. But you will have to trust me that in many developing countries it has not even begun. We are not talking about the developed world here. In fact, we are thinking of an initiative involving WHO, UNEP and FAO to try to begin to bring these Ministries at a regional basis and try to create awareness that if we are all dealing with the same pesticides which affect agriculture, natural resources and humans; let us try to work together. In fact, I have an idea in which country that initiative will begin, but since I have not yet shared that idea with that country I am not yet at liberty to mention it here, but we are moving in that direction.

We are already working with WHO and UNEP and I think the as distinguished delegate from China has mentioned we want to do more.

I am extremely grateful to the delegate from Thailand. I think she has given us several ideas that FAO needs to prioritize in its work and personally I find all of them to be acceptable. In fact we had been thinking about them and talking about them so thank you very much, that just makes us feel that we are moving on the right path.

The comment from the United States of America that we should try to integrate SAICM in our work as much as possible; we are already doing as much as possible. As you know, we do not have practically any extrabudgetary resources for it.

In our pesticide world, there are three or four officers at different levels that are already involved as well as a couple of GS staff. We feel that if you would see even a little greater role for FAO in this area then we would definitely need additional support. At this stage we are managing, even today we could do better with a little bit more effort. I am grateful for the advice that we should try to do the best that we can with our Regular Programme resources, but seek extra-budgetary resources, if needed. I guess I am hearing the United States of America should be the first country that we should approach when we make that proposal.

**William J. MURRAY (FAO Staff)**

In responding to the question that was raised by Finland on behalf of the European Commission, certainly the trust funds foreseen within the Convention have been established within UNEP.

As was foreseen within the MOU between FAO and UNEP, sub-funds have been established within FAO to allow us to draw upon the funds that have been made available for the Convention. The Secretariat is responsible to the Conference of the Parties for the trust funds, and as was seen at our meeting in October a single report for all of the money that is made available to the Secretariat is, in fact, provided to the cause.

I hope that addressed the question.

**Shivaji PANDEY (Director, Plant Production and Protection Division)**

It is my perception sitting here that many of the delegates are endorsing our participation in SAICM and we are extremely grateful for that endorsement.

**CHAIRMAN**

This concludes the debate on Item 12 of the Agenda.

**VI. OTHER MATTERS****VI. QUESTIONS DIVERSES****VI. OTROS ASUNTOS****16. Calendar of FAO Governing Bodies and other Main Sessions 2007-2008 (CL 131/LIM/2)****16. Calendrier des sessions des organes directeurs et des autres réunions principales de la FAO 2007-2008 (CL 131/LIM/2)****16. Calendario para 2007-2008 de los períodos de sesiones de los órganos rectores y de otras reuniones importantes de la FAO (CL 131/LIM/2)****CHAIRMAN**

With your permission, and since we are still within the timeframe, we should profit of the interpretation. We could go to Item 16, Calendar, a short Item, Calendar of FAO Governing Bodies and Other Main Sessions 2007-2008 CL 131/LIM/2.

This document is produced in collaboration with IFAD and WFP to avoid any overlap between main sessions of the Rome-based Agencies. The Calendar for 2007 is submitted for the approval of the Council and the Calendar for the year 2008 is for information only.

I trust delegates will have noticed that CL 131/LIM/2 Paragraph 4 proposes as a savings and efficiency measure and on an experimental basis at the next Session of FAO Council will be held over five days – Monday 18 to Friday 22 June 2007. At its Hundred and Thirty-fourth Session in November 2007, the Council will be invited to take stock of this five-day Council Session and decide whether its Hundred and Thirty-fifth Session in November 2008 should be held over five or six days.

Does any Council Member wish to take the floor on the Draft Calendar for 2007?

If there are no objections, may I consider the Calendar for 2007 adopted as set out in CL 131/LIM/2?

*It was so decided*

*Il en est ainsi décidé*

*Así se acuerda*

**CHAIRMAN**

Now I only have to make an announcement.

The First Meeting of the Drafting Committee will take place in the Lebanon Room – that is in building D-209 – immediately. I wish its success in drafting the Report that will be put before Council for adoption.

Tomorrow morning we will start as convened at 09:30 sharp, if possible.

I would like to thank you for your contributions to the issues debated today and I wish you all a restful evening.

*The meeting rose at 17.10 hours*

*La séance est levée à 17 h 10*

*Se levanta la sesión a las 17.10 horas*

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**SEVENTH PLENARY MEETING  
SEPTIÈME SÉANCE PLÉNIÈRE  
SÉPTIMA SESIÓN PLENARIA**

**23 November 2006**

**IV. ACTIVITIES OF FAO AND WFP (continued)****IV. ACTIVITÉS DE LA FAO ET DU PAM (suite)****IV. ACTIVIDADES DE LA FAO Y EL PMA (continuación)****13. World Food Programme****13. Programme alimentaire mondial****13. Programa Mundial de Alimentos**

*13.1 Annual Report of the WFP Executive Board on its Activities in 2005 (C 2007/INF/10)*

*13.1 Rapport annuel du Conseil d'administration du PAM sur ses activités en 2005*

*(C 2007/INF/10)*

*13.1 Informe anual de la Junta Ejecutiva del PMA sobre las actividades del PMA en 2005*

*(C 2007/INF/10)*

**CHAIRMAN**

I am advised that we have the quorum. I declare open the seventh meeting of the Hundred and Thirty-first Session of the FAO Council and I need your entire cooperation. We have Item 13 World Food Programme, 13.1 Annual Report of the WFP Executive Board on its Activities in 2005, the document is C 2007/INF/10, 13.2 Election of Six Members to the WFP Executive Board, document CL 131/4; CL 131/4-Sup.1.

At this stage, I would like to welcome Ms Sisulu, Deputy Executive Director of the World Food Programme who will introduce sub-item 13.1, Annual Report of the WFP Executive Board on its Activities in 2005. The relevant document is C 2007/INF/10.

**Ms Sheila SISULU (Deputy Executive Director, World Food Programme)**

I am pleased to present to you the Annual Report to ECOSOC and the FAO Council for 2005 which was approved by the WFP Executive Board at its regular Session in February in 2006.

This Report was prepared in accordance with the requirements for cooperate reporting to WFP's Executive Board and parent bodies as approved in the 2004 Annual Session of the Board. A number of delegations urged us then to further streamline the document which resulted in this improved Annual Report for 2005, while fully satisfying the ECOSOC requirements. The Report before you places greater emphasis on concrete examples and tangible results achieved in 2005. It speaks on WFP'S progress in partnerships, particularly implementation of the triennial comprehensive policy review of operational activities for development of the UN System, which is a special forecast of ECOSOC.

It is fair to say that 2005 was most challenging year the humanitarian world has faced since World War II, we were challenged to respond to the Indian Ocean Tsunami, to acute hunger in Niger, the massive earthquake in Pakistan, continuing strife in Darfur and hurricane Stan in Guatemala.

We reached 17 million people in 82 countries, with an expenditure of US\$3.1 billion. During this extraordinary busy period, WFP improved its partnerships with UN Agencies, other International Organizations and Civil Society Groups in three significant ways.

Firstly, practically every WFP operation is the product of cooperation with UN and NGO partners and is linked to one or more of the Millennium Development Goals and WFP's five strategic objectives.

Secondly, we were Members of the major interagency coordinating bodies in Humanitarian and Development Affairs at global, regional and country levels.

Thirdly, WFP and its partners advocated for the interest of hungry and vulnerable people at every possible opportunity in the news media, in cinema, in academia, and in major international meetings, such as the International Aids Conference in Toronto in August this year.

We know that coordinating is vital to our ability to bring the best possible service to the people and governments that we need to help, and maximum efficiency in our use of donor funds. Some of the major achievements from WFP's engagements in inter-agency coordinating mechanisms in 2005 included the following, the Inter-Agency Standing Committee's new arrangements for addressing gaps in current and international humanitarian response named WFP as the lead agency for the Inter-agency Emergency Logistics Cluster and core lead for the Emergency Telecommunications Cluster.

WFP continued to be active in the consolidated appeals process and its needs analysis framework. We worked with FAO to lead the Food Security Sector Needs Analysis Framework in Burundi, the occupied Palestinian territories and in Uganda.

WFP made further progress on harmonizing its development programmes through the UN Development Group, and strengthened its capacity in engaging with poverty reduction strategic papers and sector-wide approaches. In Afghanistan, for instance, WFP led the UN country teams, joint programming process and headed the Green Afghanistan initiative, which led to joint programmes in other sectors too.

WFP and FAO are leading joint programming efforts related to food security in Southern Africa, WFP continued to work with the Rome-based Agencies in applying the two twin-track approach where food-aid for immediate needs and rural development for long-term solutions. Examples of this include the Junior Farmer Field and Life school projects in Southern Africa aimed at securing the future livelihoods and long-term food security of orphans and children affected by HIV and AIDS.

Eleven FAO and WFP joint Crop and Food Supply Assessment Missions played a major role in Humanitarian Food Security interventions. Among others the estimated impact of the food crisis in Niger and of the Tsunami in Indonesia and Sri Lanka.

WFP was active with its Rome based Agency partners in ensuring that food security, hunger reduction particularly for children, rural development and expansion of school feeding were addressed in the outcome document of the World Summit. More details and highlights of partnerships, coordination and issues relevant to the implementation of the TCPR are available to this Report and the WFP Annual Performance Report presented to the Annual Session of WFP's Executive Board in June 2006.

Excellencies, at this stage in the year I would not remiss not to mention and flag some of the issues, we think may affect our work in the near future. Naturally, one of these is UN Reform, which will make a difference to the way we work together with other Agencies, we remain convinced that the yardstick by which reform should be measured is how much better it makes the lives of the poorest most hungry people. We are committed to working harder at collaboration to that end.

The global economic environment will clearly have an impact on the lives of the people we serve and on our work. We are in a period where both food and transport have increased to a very high price plateau by and large due to increasing demand for commodities and services mostly in Asia and for the production of ethanol.

The price of wheat and maize traded internationally are both up at least 20 percent over last year, we have to understand that on occasion our contributions may simply buy less food, it will cost more to deliver food and in this environment where people are still substantially at risk and the number of the poor continues to rise.

Finally, we are also entering an era of new leadership, both at the UN Secretariat in New York and at WFP specifically in Rome. While we will surely miss the Secretary General Kofi Annan, and our Executive Director James Morris, we welcome the arrival of both the Secretary General designate Ban Ki-Moon and the Executive Director designate Josette Sheeran, and look forward to working with them and with you in our shared mission of putting an end to hunger.

**Ms Heidi PIHLATIE (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey, associate themselves with this statement.

As the Report has already been discussed in the WFP Executive Board, there is no need to address any particular point in it. We would, however, like to highlight one recommendation in the Report of the High-Level Panel of the UN System-Wide Coherence, which we find relevant also in this forum: "to build long-term food security and break the cycle of recurring famines, especially in sub-Saharan Africa, the World Food Programme, Food and Agriculture Organization and International Fund for Agricultural Development, should review their respective approaches and enhance the inter-agency coordination. Complementary strategies would be further developed to strengthen local capacity and resilience to mitigate and cope with consequences of famines".

The EU would like to endorse the WFP Executive Board's Annual Report 2005 to ECOSOC and FAO Council.

**Gaddi H. VASQUEZ (United States of America)**

The United States would like to thank the WFP Deputy Executive Director, Ms Sisulu for her presentation, the United States deeply appreciates the work and the commitment of the World Food Programme in saving millions of lives around the world.

We welcome the increased cooperation between FAO and WFP both in Rome and in the Field and encourage continued and enhance collaboration in the areas of need assessments, emergency response capacity and food security analysis.

As this will be the last FAO Council that WFP will have under the leadership of Mr James Morris, the United States would like once again to thank him for his vision, commitment and tireless efforts to feed the world's hungry.

The United States would also like to commend the WFP Executive Board's Secretariat for its outstanding service Board Members this year and to thank its President and Vice President Ambassador Beg of Pakistan and Ambassador Wermuth of the Netherlands, who through their professionalism and diplomatic skills and neutrality have helped us achieve consensus on important policy issues, both of them are a great attribute to the great nations that they represent, and we thank them and salute them for their leadership.

**Emile ESSEMA (Congo)**

Je prends la parole en qualité de représentant de la liste 1, Afrique, au Conseil, au Bureau du Conseil du PAM. Mais avant d'intervenir j'aimerais, Monsieur le Président, vous féliciter pour la présidence des débats de ce jour et reconnaître en vous que, avec l'Afrique toute entière, nous sommes satisfaits et que nous espérons beaucoup en vous.

Le rapport à nous soumis, comme l'a souligné Madame Sisulu, contient une vue d'ensemble de la suite donnée par le PAM aux initiatives et aux résolutions adoptées par le système des Nations Unies. Ce rapport a été établi conformément à la procédure de simplification des rapports soumis au Conseil d'administration et aux organes de tutelle du PAM. Il est structuré selon la présentation standard des rapports annuels au Conseil économique et social des fonds et programmes des Nations Unies et met surtout l'accent sur la mise en œuvre des dispositions de la résolution adoptée par l'Assemblée générale en 2004 au sujet de l'examen triennal d'ensemble des activités opérationnelles de développement. En rappelant, Monsieur le Président, que le sommaire mondial de septembre a constitué la principale manifestation inscrite au calendrier des Conférences internationales en 2005.

Chef de file "des secours et urgences", le PAM répond partout "présent". Toujours parmi les premiers lors des crises, des catastrophes et de conflits sous toutes les formes, pour apporter l'aide alimentaire nécessaire et pour sauver des vies humaines. L'on retiendra que la coopération

opérationnelle et les efforts des plaidoyers du PAM ont tendu principalement à satisfaire le besoin des réfugiés et des bénéficiaires dans des domaines comme la sécurité alimentaire, la nutrition, les secours d'urgence, le SIDA et l'éducation. Comme on le voit, le PAM a déployé une activité abondante et très remarquable. C'est le lieu de reconnaître, la bravoure de son personnel, de le féliciter, un personnel disions nous, qui de jour comme de nuit, est au chevet des réfugiés, des démunis, pour apporter assistance et secours, ce, quelque fois, à leurs risques et périls. Ils méritent hautement admiration et encouragement de notre part. Nous voulons reconnaître également ici le mérite de l'équipe de direction, toujours préoccupée par les nombreux défis auxquels le programme est confronté. Cette direction assure avec doigté un encadrement sérieux des cadres qui se dévouent corps et âme à la cause du programme. Nous regretterons le départ de Monsieur Morris. Force est de reconnaître enfin qu'au regard des nombreux défis auxquels le PAM doit faire face, la direction doit continuer de multiplier ses efforts de plaidoyer, dans le but d'informer, de convaincre et de susciter de plus en plus de contributions aux fins de recueillir des ressources substantielles devant permettre au PAM de réaliser au mieux son programme.

A ce titre, le Groupe africain invite tous les donateurs, tous les partenaires et les hommes de bonne volonté à faire un geste de solidarité où qu'ils se trouvent à l'endroit du PAM. Le faisant ils accompagneront avec assurance et honneur le PAM dans la réalisation de ces nobles objectifs. Les catastrophes aujourd'hui, on doit se le dire, ne sont plus du seul ressort des pays moins nantis. C'est la préoccupation de tous, absolument de tous. Enfin, il sied de souligner que ce rapport a été approuvé à l'unanimité par l'ensemble des Membres du Conseil d'administration du PAM en son temps, et nous aimerions que les Membres du Conseil de la FAO en fassent autant.

**Seiichi YOKOI (Japan)**

I also thank Ms Sisulu for the introduction of the Report.

My intervention will be very brief.

As stated by Finland, on behalf of the European Community, we had an intensive discussion on the Annual Report at the First Regular Session of the WFP Executive Board early this year. Therefore, Japan would just like to take note of this document, thanking WFP for their achievement in 2005 under the leadership of Mr Morris and request them to continue such excellent work.

**Mrs Philippa FORDE (Trinidad and Tobago)**

The delegation of Trinidad and Tobago speaking of behalf of the Caribbean Sub-region wishes to congratulate the World Food Programme on the activities achieved in 2005. We are particularly pleased with the Programme's input in the areas of disaster risk reduction and emergency preparedness, matters of particular concern to the Small Island States of the Caribbean.

We wish to congratulate WFP and to endorse the Annual Report on the Programme's Activities in 2005.

**Jesús Eugenio HUERTA GONZÁLEZ (México)**

La Delegación de México agradece la presentación del Informe sobre la Labor que realizó el Programa Mundial de Alimentos en 2005. Este Informe Anual es el principal instrumento de rendición de cuentas del PMA que permite a los Estados Miembros ver la medición de la ejecución con base en los resultados y a partir de ellos saber como se utilizaron los recursos de que dispuso el Programa en 2005, para ayudar a las personas que padecen hambre mediante operaciones de emergencia y de recuperación. Vemos con satisfacción que durante ese año el PMA mejoró sus asociaciones con los organismos de las Naciones Unidas, otras organizaciones internacionales de ayuda y grupos de la sociedad civil.

El Informe permite extraer varias importantes lecciones aprendidas de la actuación del PMA en 2005, a saber; los gastos directos del Programa ascendieron a 2900 millones de dólares, esta cifra es la más alta en toda la historia del PMA y muestra la respuesta de la comunidad internacional a situaciones de emergencia; en 2005 las catástrofes naturales hicieron que el Programa respondiera

a necesidades importantes mayores en entornos muy difíciles. El 2005 mostró que es fundamental que el PMA tenga flexibilidad para que pueda responder efectivamente a crecientes situaciones de emergencia y socorro, para prestar asistencia a las personas más vulnerables y aquejadas por el hambre. Las ventajas que representa trabajar más estrecha y coordinadamente con los gobiernos, el sector privado y las poblaciones afectadas. Esperamos que estas lecciones sirvan de guía para la Labor del PMA en el futuro, así como para la consecución de los Objetivos del Desarrollo del Milenio, en particular el Objetivo 1.

La Delegación de México refrenda este Informe, que ya fue aprobado anteriormente tanto por la Junta Ejecutiva del Programa Mundial de Alimentos como por el propio Consejo Económico y Social de las Naciones Unidas.

**Bright RWAMIRAMA (Uganda)**

The Government of Uganda appreciates the work of WFP contained in the Report.

The Ugandan delegation would like to acknowledge and specifically appreciated the following interventions you have made in the country: the relief food to the displaced people by the Lord's Resistance Army in northern and eastern Uganda, including food feeding of children in displaced camps; by supporting HIV Aids situations by provision of best food requirements including child-headed families.

We also appreciate your decision to purchase foodstuffs from some regions where local food is grown. This has encouraged farmers to produce more and in the process reduce hunger and poverty.

We appreciate the Report and we support your endeavours in the work you are doing for the whole world.

**Ms Fran FREEMAN (Australia)**

Australia wishes to pay tribute to Mr James Morris on the dedication and leadership he has shown for the last four and half years in his position as WFP's Executive Director.

Australia would also like to take the opportunity to congratulate Ms Josette Sheeran on her appointment to the WFP Executive Director position she will be taking up in mid-February 2007.

We wish to acknowledge the vital role that WFP plays in meeting important humanitarian needs around the world. The Australian Government sees WFP as a key strategic partner in addressing humanitarian emergencies in the Asia Pacific Region.

In recognition of this, Australia, has provided significant support to WFP since its establishment in 1963.

In 2005, Australia is very proud to say that it is the tenth largest overall donor to WFP, contributing nearly US\$62 million.

Australia acknowledges the major achievements made by WFP during 2005 in response to UN system initiatives and resolutions, including WFP's engagement in Inter-Agency Coordinating Mechanisms and WFP's Operational and Advocacy Partnerships with UN Agencies and NGOs.

Australia supports the approval of the Annual Report of the Executive Board of the World Food Programme by the Council.

**Fazlul KARIM (Bangladesh)**

This is just to underscore the importance Bangladesh lays on the activities of the World Food Programme. The World Food Programme does not only help save lives, but also assisting and enhancing the quality of life of people in various parts of the world. We would like to see these activities further strengthened in the days ahead.

We feel that there is still a scope for having more efficiency in the activities of WFP, in particular, in terms of better coordination among the organizations based in Rome. At the same time, we



would also like to underline the need to further strengthen the capacity of WFP in helping the poor and hungry people of the world.

My delegation would like to full-heartedly endorse the Report.

**Hassane ABI AKAR (Liban) (Langue originale arabe)**

Comme viennent de le souligner les différents intervenants ce rapport a déjà été adopté au niveau du Programme. Toutefois, nous exprimons notre gratitude à Monsieur James Morris qui arrive au terme de sa mission. Les efforts que le Programme a fournis sous la Présidence de Monsieur Morris principalement dans les événements douloureux qu'a vécus récemment le Liban méritent toute notre gratitude. Nous n'oublierons jamais cela et nous souhaitons à Monsieur Morris et à toute son équipe tout le succès et nous souhaitons également le plein succès à la nouvelle Présidente dans sa nouvelle tâche et la poursuite des efforts du Programme pour le bien de tous ceux qu'il sert.

**Pedro Agostinho KANGA (Angola)**

Ma délégation profite de cette occasion pour féliciter le PAM pour la qualité du rapport qu'il nous a présenté et pour les activités accomplies pour minimiser les problèmes concernant la sécurité alimentaire, le secours d'urgence, la nutrition, le virus du SIDA, l'éducation, etc.

Nous adressons nos sincères remerciements à Monsieur James Morris qui est au terme de son mandat, pour son dévouement à la cause de populations vulnérables et tout appui accordé à mon pays durant ses heures les plus difficiles.

Nous encourageons le PAM à poursuivre la collaboration avec d'autres Organisations des Nations Unies pour la réalisation des Objectifs du Millénaire en particulier, en ce qui concerne l'élimination de la faim chez les enfants et la lutte contre le *virus* du SIDA.

Pour terminer nous appuyons le rapport annuel du PAM.

**Ramalingam PARASURAM (India)**

The Indian delegation welcomes the presentation of the Annual Report of the World Food Programme's Executive Board to ECOSOC and the FAO Council on its activities in 2005. This Report has already been considered at the Executive Board at WFP and, therefore, we confine our observations to a general nature.

WFP has been playing an important role in bringing immediate relief and assistance to affected populations in different countries and regions – affected both by natural calamities and in conflict and post-conflict situations. In recent years such engagement has increased in frequency and in magnitude.

We are happy to note that WFP has earned the appreciation of governments concerned. In particular, we would like to take note of the work done in the post Tsunami relief operations in Asia and the post earthquake relief work in South Asia. While we in India were able to handle the relief operations in these crises on our own, we are happy to note that our neighbours in the region are happy with WFP's work.

We also acknowledge the vital role WFP plays in engaging with developmental aspects that will help in alleviating food and nutritional insecurity. We look forward to see WFP's role in this sphere, in close coordination with other UN organizations like FAO, IFAD and UNICEF, expand in the future.

We endorse the Report.

**José Roberto ANDINO SALAZAR (El Salvador)**

Mi Delegación desea asociarse a aquéllos que han felicitado a la Secretaría por la presentación del Informe Anual de las Labores Realizadas por el PMA en el año 2005.

Mi país ha sido beneficiado del excelente trabajo, así como el resto de los países centroamericanos, por lo que queremos patentizar nuestro reconocimiento al valioso trabajo

realizado para atender las necesidades de una zona tan vulnerable como la Centroamericana. Por eso nosotros valoramos el trabajo que lleva a cabo la Junta Ejecutiva.

Deseamos reconocer el trabajo realizado por el Director Ejecutivo James Morris y desearle el mejor de los éxitos en sus nuevas actividades. Queremos felicitar a la nueva Secretaría y darle todo nuestro apoyo. Mi Delegación apoya la aprobación del Informe anual del excelente trabajo realizado por el PMA en el año 2005.

**Francisco José Coy GRANADOS (Observador de Colombia)**

Ante todo, mi Delegación quiere intervenir para unirse a las voces de los diferentes Miembros del Consejo en felicitar a la Sra. Sisulu por el excelente Informe que ha presentado ante el Consejo, que refleja de manera bastante precisa los debates que hemos tenido en el seno de la Junta del PMA. Igualmente, a través de este conducto, queremos felicitar y agradecer a la Secretaría del PMA y a todo el personal del Programa que maneja, tanto en la Sede como en el terreno, la difícil actividad del Programa. Hemos tenido ocasión de acompañar a la Junta a visitar este terreno y hemos visto que la mayoría del personal trabaja en condiciones muy difíciles y hace esfuerzos heroicos para llevar ayuda a los más necesitados.

Igualmente, como lo manifestamos en la pasada sesión de la Junta Ejecutiva, queremos transmitir un mensaje de felicitación al Sr. James Morris por el excelente trabajo que realizó como Director Ejecutivo y reiterar que lo vamos a extrañar mucho. Igualmente sabemos que su sucesora la Señora Josette Sheeran va a realizar un trabajo igualmente valioso.

Desde el punto de vista de nuestra región, sabemos que no es el área del mundo en la cual el PMA realiza la mayor actividad. Sin embargo, la Labor que realiza en América Latina es significativa, sobretudo para las poblaciones más necesitadas. En el caso de Colombia, estamos recibiendo una ayuda muy importante del PMA en la atención a la población detrozada por la violencia interna. Una Labor que, sin este apoyo, sería muy difícil para el Gobierno de Colombia solventar completamente.

Acerca del Informe que presenta la Sra. Sisulu, deseamos destacar la importancia de que la FAO y el PMA continúen y profundicen la Labor de coordinación y que esa actividad conjunta sea mucho más visible en el terreno. Sobre todo nos parece muy importante que en la etapa posterior a la recuperación, la FAO tenga una presencia mucho más visible y ayude a las personas, una vez que se han recuperado de la crisis, a tener una actividad sostenible y que les garantice su seguridad alimentaria.

**Alexander A. TITARENKO (Observer for Russian Federation)**

First of all, this delegation would like to thank the Deputy Executive Director, Ms Sisulu for the presentation of the Report.

Any performance Report is a major accountability and management tool. It helps to identify progress in building on strengths and addressing weaknesses.

In relation to the World Food Programme, it shows how food aid makes a difference in the lives of food insecure people and people affected by crises.

In this regard, the Annual Performance Report for 2005 represents another important step forward in results based management in the World Food Programme. This Report illustrates some of the operational challenges of 2005, in particular, those related to the complexity of operations in response to natural disasters. It records the demand placed on the World Food Programme in terms of supporting protracted relief and recovery operations and lessons learned and formal evaluations. It also demonstrates the World Food Programme's commitment to achieving the Millennium Development Goals and ending hunger, emphasizing that even greater efforts are needed in the fight against hunger because the number of chronically-food-insecure-people in the world is rising.

The World Food Programme Executive Board has approved, in February 2006, the 2005 Annual Performance Report, commending the improvements in structure, clarity and content. Both

Members commented on the usefulness of the document for strategic planning, policy development and management. It also has recognized the strengths of the partnerships with FAO and IFAD.

We appreciate very much the level of cooperation established in recent years between the Russian Federation and the World Food Programme. As of 2005, our country has become a permanent donor of the World Food Programme.

The Russian Federation supports the operational and effective activity of the World Food Programme in the field of food and other humanitarian aid and assistance to vulnerable groups of population suffering from natural disasters and emergency situations. We support its efforts in fulfilling one of the main Millennium Development Goals, to eradicate hunger and malnutrition in the world.

In this context, we welcome the Ending Child Hunger and Undernutrition Initiative and progress on the Global Framework for Action for their initiative which focuses on approximately 400 million hungry children in the world, particularly estimated 146 million undernourished children less than five years of age.

In the end, this delegation would like to express its appreciation with the excellent management and very effective activity of the Executive Director of the World Food Programme, Mr James Morris. We express our hope that the new Executive Director, Ms Josette Sheeran will act in the same spirit as her predecessor. We wish her success on her new appointment.

We thank the Secretariat of the World Food Programme and all its employees in headquarters, as well as in the field, for their great work for people.

**Julius KIPTARUS (Observer for Kenya)**

On behalf of my delegation, we note with satisfaction the good work being undertaken by World Food Programme in many hot spots of the world. We also thank the World Food Programme for the quick action they took yesterday to airlift their food to assist the flood victims in Ethiopia, Somalia and Kenya.

**Mohamed ELTAYEB ELFAKI ELNOR (Observer for Sudan) (Original language Arabic)**

Mr Chairman, thank you and we thank Ms Sisulu as well. Sudan as one of the big beneficiaries of WFP work, should like to express its thanks and appreciation for all WFP efforts as well as the efforts of the Executive Director, who did not spare an effort to see and visit the different parts of the needy people in Sudan. Last July the visit of Mr Morris was much appreciated and admired by the Government of Sudan. Great assistance was provided to the refugees and displaced people due to the conflicts and the struggles which you all know. The Government of Sudan appreciates the efforts of WFP and its Executive Director and offered him the Excellence and the Honour medallion for his efforts this year. Thus, on behalf of the Government of Sudan, we support all the great efforts made by WFP whether in Sudan or in Africa in general, or all the needy people in the world. We commend this Report and ask the Council to adopt it.

**Mohamed Said MUYA (Observer for United Republic of Tanzania)**

The Tanzanian delegation appreciates the work of WFP particularly supporting my country with food supply during the food crisis in 2005-06. Also, I do appreciate the support from WFP with regard to the question of refugees in Tanzania. Accordingly, Tanzania endorses the WFP annual Report for 2005.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

I wish to join the delegations that have spoken before me in commending the work of the WFP in the Annual Report that is before us. And right from the onset, my delegation does support this Report. In particular, we commend the services that have been given to my region. The region I represent on the board, that is Southern Africa. Southern Africa has experienced a lot of the effects of drought in the past few years and southern Africa is reeling under the effect of HIVs,

and WFP has come to our assistance in these two areas, to the extent that today even where governments are picking up with regard to general feeding of their population, WFP has remained on the ground to assist us with the therapeutic feeding and any rehabilitational assistance for those affected with HIV/AIDS. Besides that, we have worked with WFP in many programmes that assist the school feeding programmes in our various countries. Indeed, these programmes have grown in strength each year and I would like to deliver the point by just acknowledging this wonderful work that has been done by the Organization. Allow me to take this opportunity to thank Mr Morris for the work that he has done while he was Executive Director of this Organization for the last five years. In the same vein, my region welcomes the new candidate who is coming in as Executive Director.

**Richard Gbaka ZADY (Côte d'Ivoire)**

La Côte d'Ivoire s'associe aux précédents orateurs pour remercier aussi l'équipe sortante et le Président James Harris pour la conduite qu'il a eue au niveau de l'organisation du PAM.

Nous nous reconnaissons aussi dans la déclaration du Représentant du Groupe africain pour dire qu'effectivement nous avons été très sensibles au soutien qui a été apporté à la Côte d'Ivoire depuis le début de la crise socio-politique qui s'est déclenchée depuis 2002, à l'assistance particulière que nous avons reçue, intervenant notamment dans la distribution des vivres, des intrants au niveau de la population ivoirienne, tout en soulignant aussi l'apport qui a été fait au niveau des cantines scolaires. Donc, c'est par rapport à cela qu'au nom de la délégation ivoirienne, nous encourageons le Conseil à approuver ce rapport et souhaiter que les relations et les actions se poursuivent sur le terrain pour notre pays qui a vraiment été très sensible, en ces moments de difficultés, au soutien que le PAM a apporté à nos institutions.

**CHAIRMAN**

Now we have come to the end of the debate. Is there anyone whose eyes I am not catching? Thank you. Does Ms Sisulu wish to respond to any of the points that have been made in this debate? Thank you.

**Ms Sheila SISULU (Deputy Executive Director, World Food Programme)**

No Mr Chairperson except to say we are thankful that the Report has been further endorsed and for all the commendations and the encouragements that we have heard today. Thank you.

*13.2 Election of Six Members to the WFP Executive Board (CL 131/4)*

*13.2 Élection de six membres du Conseil d'administration du PAM (CL 131/4)*

*13.2 Elección de seis miembros de la Junta Ejecutiva del PMA (CL 131/4)*

**CHAIRMAN**

I would like to thank Ms Sisulu for having presented this Sub-item. We will now proceed to Sub-item 13.2. The documents for this Item are CL 131/4 and CL 131/4 Supplement 1. The Item concerns the election of six Members for the period: 1 January 2007 to 31 December 2009. I will now give the floor to the Assistant Secretary-General who will run through the nominations.

**ASSISTANT SECRETARY-GENERAL**

In accordance with Resolution 699, which was adopted by the Conference in 1999, at its 30<sup>th</sup> Session, the Council is invited to appoint six Members of the Executive Board of the World Food Programme for a term of office of three years and that is from 1 January 2007 to 31 December 2009. The six Members are to be appointed from four lists, A, B, C and D.

List A: For one seat to be filled, there is one candidate, Zambia. List B: For two seats to be filled, there are four candidates: Bangladesh, Iraq, Pakistan and the Philippines. List C: For one seat to be filled. There are two candidates: Peru and Guatemala. List D: For two seats to be filled, there are two candidates: the Netherlands and USA. Therefore, there are nine candidates for six seats.

**CHAIRMAN**

For lists A and D, we have the same number of candidates. Does the Council agree to appoint the candidate for list A. Zambia and for the others for the seat for the period 2007 to 2009? By clear general consent?

*Applause*

*Applaudissements*

*Aplausos*

*It was so decided*

*Il en est ainsi décidé*

*Asi se acuerda*

**CHAIRMAN**

Now does the Council agree to appoint the two candidates for List D? The Netherlands and the United States of America, for the seats for the period 2007 to 2009 by clear general consent? It is so decided and you have the congratulations of the Chair.

For lists B and C, we have more candidates – six, than seats to be filled – three. If none of the candidates: Iraq, Bangladesh, Philippines and Pakistan for List B; and Peru and Guatemala for List C, wishes to withdraw, we shall proceed to a secret ballot. May I inquire whether any candidates wish to withdraw at this stage. No? Ready for the battle? So, given that neither of the candidate countries for Lists B/C is willing to withdraw, in accordance with Article XII, 10a of the General Rules of the Organization, we shall proceed to a secret ballot. The Assistant Secretary-General will read the relevant instructions. You have the floor.

**ASSISTANT SECRETARY-GENERAL**

Delegates will be called one at a time to go to the voting area where they will receive a ballot paper indicating the names of the candidates. Each elector, unless he or she abstains, can cast a vote by marking a cross (X) in the box beside the name of the candidate he or she wishes to elect. In accordance with Rule XII, paragraph 4(c) of the General Rules of the Organization, any ballot paper left blank will be recorded as an abstention. Pursuant to paragraph 4(d), of that same Rule XII of the General Rules of the Organization, ballot papers must carry no other notation or mark than those required for the purpose of indicating the vote. Any ballot paper carrying votes for more or less than the number of candidates to be elected, shall be declared defective. I should also point out that in accordance with paragraph 10(f) of Rule XII of the General Rules of the Organization, any delegate who makes an error in indicating the vote. Any ballot carrying votes for more or less than the number of candidates to be elected, shall be declared defective.

I should also point out that in accordance with paragraph 10 (f) of Rule XII of the General Rules of the Organization, any delegate who makes an error in completing the ballot paper may, before leaving the voting booth, request a clean ballot paper from the Elections Officer Mr Stephen Dowd. The new blank ballot paper will be delivered on the surrender of the invalidated paper.

**Bright RWAMIRAMA (Uganda)**

I request that the person who has been reading the order of voting to explain once again exactly where to mark because that is where many people make mistakes. Can he explain exactly where to mark for the voting please?

**ASSISTANT SECRETARY-GENERAL**

The explanation that was given, I repeat.

Each elector lists, he or she wholly abstains, shall cast a vote by marking a cross in the box beside the name of the Candidate he or she wishes to elect, so that X should be beside the name of the candidate you would like to elect.

**CHAIRMAN**

Any further comments, before we proceed?

If none, I now invite the delegates of Egypt and Romania, to act as tellers and proceed to the voting area. After which, the Assistant Secretary General will begin calling the the Member Nations.

*Vote*

*Vote*

*Votación*

**ASSISTANT SECRETARY-GENERAL**

Finally may I draw your attention to paragraph 15 of Rule XII, which specifies that once voting has commenced, no Delegate or Representative may interrupt the voting, except to raise a point of order in connection with the voting.

**CHAIRMAN**

I am told that voting has ended, the tellers will now leave the room with the ballot boxes to count the votes and while the votes are being counted, I should ask the Assistant Secretary General to take the floor to explain a request by Algeria to step down from its Membership of the Executive Board.

**ASSISTANT SECRETARY-GENERAL**

The attention of Council is drawn to Document CL 131/4-Sup.1, which concerns arrangements made by Member Nations belonging to WFP List C and List A.

Appendix 2 of that document has been reproduced to inform Council that Algeria, which was elected for a Term of Office from 2005 to 2008, wishes to stand down.

The Council is invited to take note of the resignation of Algeria as of 31 December 2006, and is also requested to agree that Sudan occupy the vacated seat for the remainder of the term of office that is until 31 December 2008.

**CHAIRMAN**

Are there any objections to this proposal?

I see none, accordingly the Council agrees that Sudan is a list A Member of the WFP Executive Board until 31 December 2006 in the place of Algeria.

We are waiting for the results of the voting.

*The meeting was suspended from 11.40 to 11.50 hours*

*La séance est suspendue de 11.40 à 11 h 50*

*Se suspende la sesión de las 11.40 a las 11.50 horas*

**CHAIRMAN**

The Chair must have made a mistake or the Secretariat must have made a slight mistake. WFP Executive Board until 31 December 2008 not 2006, please.

While we are waiting, the Assistant Secretary General will make one or two announcements.

**ASSISTANT SECRETARY-GENERAL**

The Group of 77 will have a meeting in this room immediately after the end of this session. This is the first announcement, the second announcement is on behalf of the Independent Chair of Council, Mr Noori. He would like to meet the Chairs and Vice Chairs of all Regional Groups this afternoon at 15:30 in the German Room. So I repeat that the Independent Chair of Council would like to meet all the Chairs and Vice Chairs of all the Regional Groups this afternoon in the German Room at 15:30.

*The meeting was suspended from 11.50 to 12.25 hours*

*La séance est suspendue de 11.50 à 12 h 25*

*Se suspende la sesión de las 11.50 a las 12.25 horas*

**CHAIRMAN**

Thank you for your patience. We will now resume the meeting and I would like to call the Assistant Secretary General to read out the results of the elections. You have the floor.

**ASSISTANT SECRETARY-GENERAL**

Report of Ballot List B: Ballot papers deposited: 49 Deffective ballots: 5 Abstentions: 0 Seats to be Filled: 2 Votes Cast: 88 Majority: 23 Elected: Pakistan 30; Philippines 29; Not Elected: Bangladesh 17; Iraq 12

Now the Report of Ballot for List C: Ballot Papers Deposited: 49 Deffective Ballots: 0 Abstentions: 0 Valid Ballots: 49 Seats to be Filled: 1 Votes Cast: 49 Majority: 25 Elected: Peru 25; Not elected: Guatemala 24.

REPORT OF BALLOT RÉSULTAT DU SCRUTIN RESULTADO DE LA VOTACIÓN	No.  1	WFP EXECUTIVE BOARD (Period 2007-2009) List C CONSEIL D'ADMINISTRATION DU PAM (Période 2007-2009) Liste C JUNTA EJECUTIVA DEL PMA (Período 2007-2009) Lista C
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1. Ballot papers deposited Bulletins déposés Papeletas depositadas	49	4. Valid ballots Bulletins valables Papeletas válidas	49
2. Defective ballots Bulletins nuls Papeletas defectuosas	0	5. Seats to be filled Sièges à pourvoir Puestos que hay que cubrir	1
3. Abstentions Abstentions Abstenciones	0	6. Votes cast Suffrages exprimés Votos emitidos	49

7. Majority Majorité Mayoría	25
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Elected - Élus - Elegidos		Not elected - Pas élus - No elegidos			
Peru	25	Guatemala	24		

## Tellers/Scrutateurs/Escrutadores

Signature

Firma

Gabriela DUMITRIU (Romania)

23/11/2006

Date  
Fecha

Signature

Firma

Yasser SOROUR (Egypt)

Stephen Dowd, GICO

Stephen Dowd

Elections Officer  
Fonctionnaire électoral  
El oficial de elecciones



REPORT OF BALLOT RÉSULTAT DU SCRUTIN RESULTADO DE LA VOTACIÓN	No.  2	WFP EXECUTIVE BOARD (Period 2007-2009) List B CONSEIL D'ADMINISTRATION DU PAM (Période 2007-2009) Liste B JUNTA EJECUTIVA DEL PMA (Período 2007-2009) Lista B
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1. Ballot papers deposited Bulletins déposés Papeletas depositadas	49	4. Valid ballots Bulletins valables Papeletas válidas	44
2. Defective ballots Bulletins nuls Papeletas defectuosas	5	5. Seats to be filled Sièges à pourvoir Puestos que hay que cubrir	2
3. Abstentions Abstentions Abstenciones	0	6. Votes cast Suffrages exprimés Votos emitidos	88

7. Majority Majorité Mayoría	23
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Elected - Élus - Elegidos		Not elected - Pas élus - No elegidos			
Pakistan	30	Bangladesh	17		
Philippines	29	Iraq	12		

## Tellers/Scrutateurs/Escurtadores

Signature  
Firma .....  
Gabriela DUMITRIU (Romania)

23/11/2006

.....  
Date  
Fecha

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Yasser SOROUR (Egypt)

Stephen Dowd, GICO

Stephen Dowd  
.....  
Elections Officer  
Fonctionnaire électoral  
El oficial de elecciones

**CHAIRMAN**

The Ballot box has spoken. May I be the first to congratulate the countries and the colleagues on their election to the Executive Board of the World Food Programme.

May I take this opportunity also to thank you all distinguished ladies and gentlemen for giving me the opportunity to serve you as Vice Chairman, especially during this very important Item.

I would have liked to stay with you a little longer, my colleague, the Ambassador of Germany, will take over.

***Guntram Freiherr Von Schenck, Permanent representative of Germany to FAO, took the Chair***  
***Guntram Freiherr Von Schenck, Représentant permanent auprès de la FAO, assume la présidence***

***Ocupa la presidencia Guntram Freiherr Von Schenck, Representante Permanente ante la FAO***

**CHAIRMAN**

Well, ladies and gentlemen, before coming to Item 14 there is one point I would like to communicate first to you and ask for approval. Cameroon has stepped down, from the Drafting Committee and will be replaced, if you approve, by Côte d'Ivoire. So, if there are no objections, we could endorse this fact.

I see there are no objections so Côte d'Ivoire will replace Cameroon.

Now we come to Item 14: Report of the Eightieth Session of the Committee on Constitutional and Legal Matters (CL 131/5).

Mr John Cornet d'Elzius, Chairperson of the Committee on Constitutional and Legal Matters (CCLM) will introduce the Report of the Eightieth Session of the Committee held in October 2006.

Please Mr d'Elzius, you have the floor.

**V. CONSTITUTIONAL AND LEGAL MATTERS (continued)****V. QUESTIONS CONSTITUTIONNELLES ET JURIDIQUES (suite)****V. ASUNTOS CONSTITUCIONALES Y JURÍDICOS (continuación)****14. Report of the Eightieth Session (October 2006) of the Committee on Constitutional and Legal Matters (CL 131/5)****14. Rapport de la quatre-vingtième session (octobre 2006) du Comité des questions constitutionnelles et juridiques (CL 131/5)****14. Informe del 80º período de sesiones (octubre de 2006) del Comité de Asuntos Constitucionales y Jurídicos (CL 131/5)****John CORNET D'ELZIUS (Président du Comité des questions constitutionnelles et juridiques (CQCJ))**

Le document CL 131/15 présente le rapport de la quatre-vingtième session du Comité des questions constitutionnelles et juridiques (CQCJ), qui s'est tenu les 2 et 3 octobre 2006. Le Comité a examiné plusieurs points dans son ordre du jour que j'évoquerai dans cette brève intervention. Le premier point a porté sur les statuts révisés de la Commission des pêches pour l'Atlantique Centre-Ouest, la COPACO.

Le Comité des questions constitutionnelles et juridiques a examiné un projet de statuts révisés de la Commission des pêches pour l'Atlantique Centre-Ouest la COPACO. Ces projets de statuts révisés ont été élaborés par un groupe de travail intersession sur le renforcement de la COPACO et soumis à l'examen de la Commission à sa douzième session tenue en octobre 2005 à Port of Spain, Trinité-et-Tobago. Le projet de résolution portant révision des statuts de la Commission modifie la résolution 4/61, adoptée par le Conseil en novembre 1973 et amendée en décembre 1978.

Le Comité des questions constitutionnelles et juridiques a examiné le projet de résolutions du Conseil ainsi que les statuts révisés de la COPACO, qui figurent à l'Annexe I de son rapport et a jugé qu'ils étaient conformes aux textes fondamentaux de l'Organisation et ce présentés en bonne et due forme juridique. Il a donc recommandé que ces statuts soient soumis au Conseil à sa Cent trente et unième session en novembre 2006 pour approbation.

J'en viens maintenant au second point qui a trait à la rationalisation des règles d'adhésion au Comité dit ouvert du Conseil de la FAO.

Le Comité des questions constitutionnelles et juridiques a examiné sur la base d'un document reflétant les travaux d'un groupe de travail interdépartemental de la FAO, les arrangements existants relatifs aux procédures d'adhésion aux cinq Comités techniques du Conseil à savoir: le Comité des produits, le Comité des pêches, le Comité des forêts, le Comité de l'agriculture et le Comité de la sécurité alimentaire mondiale, établis par le paragraphe 6 de l'article V de l'Acte constitutif de la FAO. Ces Comités sont aussi dits "Ouverts" en ce sens que leur composition n'est pas limitée à un nombre déterminé de pays. Le groupe de travail a conclu que la notification biennale d'adhésion à ces Comités entraînait une procédure administrative longue et lourde tant pour les représentants permanents, les administrations nationales que pour le Secrétariat de l'Organisation; ceci sans ajouter de réelle valeur aux travaux de fond des Comités. La réduction de cette charge administrative permettrait de réaliser des gains d'efficacité en matière de gouvernance.

Le Comité des questions constitutionnelles et juridiques a examiné une proposition selon laquelle les membres notifieraient par écrit, au Directeur général, leur intention de participer aux travaux d'un ou de plusieurs Comités ouverts du Conseil et qu'ils en resteraient membres aussi longtemps qu'ils ne manqueraient pas deux sessions consécutives des Comités en question ou ne notifieraient pas leur intention de se retirer. Le Comité des questions constitutionnelles et juridiques a estimé qu'un amendement reflétant ces considérations devrait être introduit dans chacun des articles du Règlement général de l'Organisation régissant la composition des Comités. Il a également suggéré de continuer d'utiliser les formulaires de notification au cours du premier exercice biennal suivant l'entrée en vigueur des amendements proposés, en vue d'établir la composition initiale de chacun des Comités dits "Ouverts".

Le Comité a recommandé que le projet d'amendement au Règlement général de l'Organisation joint à son rapport à l'Annexe II soit soumis au Conseil à sa cent trente et unième session en novembre 2006 pour approbation et par la suite à la Conférence à sa trente quatrième session en 2007 pour adoption.

Le troisième point concerne la représentation de la région du Proche-Orient au Comité financier.

Le Conseil à sa cent vingt neuvième session en novembre 2005 avait examiné brièvement la question de la représentation de la région du Proche-Orient au Comité financier, point qui avait été ajouté à l'ordre du jour du Conseil à la demande du Président de la région du Proche-Orient. Le Conseil avait demandé aux groupes régionaux de tenir des consultations informelles afin de permettre au Comité des questions constitutionnelles et juridiques d'examiner la question et de soumettre une recommandation au Conseil à sa session de novembre 2006, document CL 129/REP, paragraphe 66.

Le Comité a pris note que des consultations informelles avaient débuté entre les groupes régionaux mais qu'un délai supplémentaire était nécessaire afin d'aboutir à une position commune. En conséquence, le Comité des questions constitutionnelles et juridiques a reporté l'examen de cette question à sa prochaine session.

Le quatrième point a trait à l'accès des Membres au Rapport du Bureau de l'Inspecteur général. Le Comité a d'abord pris note qu'à sa session de mai 2006 le Comité financier avait demandé que soit établi un document sur l'éventuelle communication aux membres des rapports de contrôle interne à l'avenir. Dans ce contexte, la Résolution 59/272 de l'Assemblée générale du 23 décembre 2004, selon laquelle, je cite, la version originale des rapports du Bureau des services de contrôle interne

qui ne sont pas présentés à l'Assemblée générale, est mise à la disposition de tout Etat Membre qui en fait la demande, était citée.

Le Comité financier a examiné la question tenant compte du cadre général de contrôle de la FAO ainsi que des informations sur les récentes pratiques à l'ONU et d'autres considérations.

Un consensus s'est manifesté au sein du Comité, quant à la possibilité que des rapports d'inspecteurs soient mis à la disposition des Membres à leur demande. En ce qui concerne plus précisément les rapports d'enquêtes, le Comité financier a observé que des orientations plus précises du CQCJ seraient nécessaires compte tenu des diverses préoccupations dont avaient fait part certains membres et de considérations y afférentes en particulier les critères déjà établis par le Bureau des services du contrôle interne de l'ONU pour la modification ou la non divulgation des rapports, notamment pour des raisons de confidentialité ou pour protéger les droits des personnes mises en cause dans ces rapports. Cela, de façon à ce qu'une recommandation puisse être adressée au Conseil.

Après un examen détaillé de la question, le CQCJ a proposé que les critères provisoires, présentés dans son Rapport, soient appliqués à la FAO. Ces critères s'appliqueraient à l'ensemble des rapports du Bureau de l'Inspecteur général, qu'ils appartiennent à la catégorie des rapports de vérification ou à celle des rapports d'enquête. Le CQCJ a, en particulier, souligné que ces critères devraient être provisoires et soumis à un éventuel re-examen à la lumière de l'expérience acquise. Il a recommandé au Conseil que le Bureau de l'Inspecteur général ou le Bureau juridique suivent l'application des critères à la lumière de l'expérience acquise en vue de permettre au CQCJ de les réviser, le cas échéant, à ses futures sessions.

Le CQCJ a estimé que les paragraphes 2 à 9 des critères proposés, portaient sur des questions à la fois juridiques et de politique générale et qu'il appartenait donc au Conseil d'en connaître.

Le dernier point concerne le statut personnel des fonctionnaires aux fins des versements des prestations. Le CQCJ a pris note que le Conseil, à sa session de novembre 2005, tout en reconnaissant le principe fondamental selon lequel le statut personnel des fonctionnaires aux fins des versements des prestations de la FAO, est déterminé en fonction de la législation du pays dont sont ressortissants les fonctionnaires concernés, a demandé au CQCJ d'approfondir certains aspects de sa proposition et de lui soumettre son rapport sur la question à sa session ordinaire en novembre 2006.

Le CQCJ a pris note d'un compte-rendu détaillé de son examen de cette question depuis octobre 2003. Il a été informé que deux jugements avaient été prononcés par le Tribunal administratif de l'Organisation internationale du travail le 12 juillet 2006 concluant que l'Organisation mise en cause avait tort de refuser de reconnaître le statut de conjoint aux personnes ayant conclu un contrat d'union avec des fonctionnaires. Les affaires ont été renvoyées à l'Organisation en cause pour examen des droits des requérants.

Le CQCJ a également été informé qu'un recours contre la FAO pour versements des prestations conjoints était en instance devant le Tribunal administratif et qu'un jugement devrait être prononcé début 2007.

Le CQCJ a informé qu'il recevrait un exposé détaillé sur les développements de ces litiges à sa prochaine session au printemps 2007. Sans vouloir préjuger en aucune manière le résultat final de cette affaire, le CQCJ a noté que l'Organisation devrait appliquer les conclusions du jugement à tout autre fonctionnaire se trouvant dans les mêmes conditions de fait et de droit que le requérant. Il est suggéré que conformément à l'opinion exprimée par le CQCJ, le Conseil ajourne l'examen de la question jusqu'à ce que le Comité examine de nouveau la question lors de sa session du printemps 2007.

Enfin, je ne voudrais pas terminer cette intervention sans remercier le Service juridique de la FAO pour son aide précieuse et je voudrais, ici rendre un hommage tout particulier à Monsieur Luís Bombin qui a assuré le Secrétariat du Comité depuis 1995, c'est-à-dire depuis pratiquement 12 ans. Luís Bombin nous quitte à la fin de cette année et je voudrais dire ici que sa compétence, sa

disponibilité et son humour ont toujours été appréciés de tous et c'est pourquoi je souhaite, au nom de tous, tout le succès possible pour cette nouvelle vie qui s'ouvre à lui.

#### **CHAIRMAN**

We will now discuss document CL 131/5 concerning five issues:

First, the Revised Statutes of the Western Central Atlantic Fishery Commission. Second, the Streamlining of the Membership Rules of the Open Committees of the FAO Council. Third, the Representation of the Near East Region in the Finance Committee. Fourth, the access by Members to Reports of the Office of the Inspector-General. Fifth, Personal Status for Purposes of Staff Entitlement.

We will have to endorse these recommendations. If you have any interventions you can address all five recommendations.

#### **Pekka HIRVONEN (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania, and the candidate countries to the EU, Croatia and Turkey, also associate themselves with this statement.

The European Union wishes to thank the Committee on Constitutional and Legal Matters for its valuable work and Report. There is a continuous need for legal considerations and small amendments in the basic regulations in which the Committee makes a valuable contribution to the Organization and its Membership.

The European endorses the Revised Statutes of the Western-Central Atlantic Fishery Commission. We would like to point out, however, that this Commission might be among the parts of the Organization which need to be closely studied when evaluating the whole of the Organization.

Concerning the issue of Streamlining of the Membership Rules of the Open Committees of FAO, we welcome the amendment drafted by the Committee giving a permanent Membership in the Open Committee as long as the Member is interested in participating in it.

We also agree with the recommendation of the Committee concerning Access by Members to Reports of the Office of the Inspector-General. Our overall approach is that an international organization has always to work in the spirit of transparency.

In this context, we want to stress that there is difference of principle between the internal inspection and external auditing. An organization needs both for different purposes. The recommendation is aimed at clarifying these criteria. Furthermore, the recommended criteria are considered to be of interim nature.

On the issue of Personal Status for Purposes of Staff Entitlements, we look forward to the decision of the ILO Administrative Tribunal, and when the decision is delivered, expect the Organization to act accordingly.

#### **David HEGWOOD (United States of America)**

The United States of America endorses all of the recommendations of the Committee on Constitutional and Legal Measures, with the exception of the recommendations with respect to Access by Members to Reports of the Office of the Inspector-General.

The CCLM recommended interim criteria for modifying or withholding Inspector-General reports. The United States of America believes that these criteria need to be carefully considered so that they will not be overly restrictive and lead to a less transparent FAO.

In this regard, we would like to draw attention to paragraph 20 of document CL 131/5, which notes that FAO has not had adequate time to review the Report –Comprehensive Review of Governance and Oversight within the United Nations, Funds Programmes and Specialized Agencies – and fully consider the implications of this Report on this issue.

Therefore, rather than approving the Interim Criteria as presented, we prefer to resume discussion of this issue at the next Session of the CCLM in the hopes that we can agree to criteria that will lead to an open approach to the release of Inspector-General Reports.

On another matter relating to increased transparency, we applaud the proposal by the CCLM. The Committee documents will henceforth be posted on the FAO Website unless deemed by the Legal Office to be of a confidential character.

Finally, we wish to acknowledge the outstanding work that Mr Luís Bombin as Secretary of the CCLM and wish him well in his future endeavours.

#### **CHAIRMAN**

I am looking to the work centre. We still have three speakers. So we still have three speakers and I would like to adjourn the Session until after lunch because we will not be able to close this Item before some time later, so we will continue this meeting at 14.00 hrs. Thank you. There is still one announcement to be made by Mr Mekouar.

#### **ASSISTANT SECRETARY-GENERAL**

The European Regional Group will be meeting in the Cuba Room right after this meeting.

This is to remind you that the G77 are meeting here right now. Also there are two Sessions of the Drafting Committee this afternoon. The first one right after we finish the afternoon Session, and the second one at 17.00 hrs. So there are two sessions this afternoon.

*The meeting rose at 13.00 hours*

*La séance est levée à 13 h 00*

*Se levanta la sesión a las 13.00 horas*

# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**EIGHTH PLENARY MEETING  
HUITIÈME SÉANCE PLÉNIÈRE  
OCTAVA SESIÓN PLENARIA**

**23 November 2006**

**V. CONSTITUTIONAL AND LEGAL MATTERS (continued)****V. QUESTIONS CONSTITUTIONNELLES ET JURIDIQUES (suite)****V. ASUNTOS CONSTITUCIONALES Y JURÍDICOS (continuación)****14. Report of the Eightieth Session (October 2006) of the Committee on Constitutional and Legal Matters (CL 131/5) (continued)****14. Rapport de la quatre-vingtième session (octobre 2006) du Comité des questions constitutionnelles et juridiques (CL 131/5) (suite)****14. Informe del 80º período de sesiones (octubre de 2006) del Comité de Asuntos Constitucionales y Jurídicos (CL 131/5) (continuación)****LE PRÉSIDENT**

Je déclare ouverte la huitième séance de la cent trente et unième session du Conseil de la FAO et nous reprendrons maintenant le point 14 sur le rapport du Comité des questions constitutionnelles et juridiques pour examen ou pour décision. Alors, on va continuer avec la liste et on a maintenant trois interlocuteurs et je vous rappelle qu'à 15h30 il y a une autre réunion. On doit essayer de terminer avant 15:30.

**Mrs Philippa FORDE (Trinidad and Tobago)**

Trinidad and Tobago on behalf of the Southern Caribbean Subregion wishes to stress the importance of the work done by the Western Central Atlantic Fisheries Commission to the sustainable development efforts of the South Caribbean Small Island States.

We endorse fully the Report of the Eightieth Session of the Committee on Constitutional and Legal Matters.

**Elías REYES BRAVO (México)**

Mi delegación se suma a los Miembros del Consejo que aprueban en lo general el Informe del 80º periodo de sesiones del Comité de Asuntos Constitucionales y Jurídicos.

**Noel D. DE LUNA (Philippines)**

We simply would like to endorse the Report of the Eightieth Session of the Committee on Constitutional and Legal Matters, including the Draft Resolutions appended.

However, considering the sensitivity of Chapter 6 of the CCLM Report, we will not object to the proposal raised by the United States and the CCLM can revisit this matter at its Spring Session next year.

**Matt DEUTSCHER (Canada)**

We also would like to support the comments of the US urging caution before adopting the interim criteria set out in Paragraph 20 of document CL 131/5. We believe that the matter should be examined in greater detail by the CCLM before FAO adopts criteria which could affect the transparency of the Organization.

**LE PRÉSIDENT**

Etant approuvé jusqu'à maintenant les clauses 3, 4, 5 et 7, tandis que le point 6, à la demande des Représentations des Etats-unis, Canada et Philippines, pour renvoyer cette clause jusqu'à la seconde réunion du Conseil, du Comité, alors, est-ce qu'il y a une objection de faire renvoyer le point 6 au Comité prochain, sinon on renvoie l'accès des membres au rapport du Bureau de l'Inspecteur général pour le Comité prochain, ainsi de cette manière on a terminé alors le rapport de CQGC et nous avons en même temps terminé le point 14 de notre point du jour.

Point 17 – Autres questions. Le dernier point inscrit à l'ordre du jour de la session c'est le point 17 intitulé – Autres questions – lors de l'adoption de l'agenda le Conseil a approuvé la requête de la



Suède d'ajouter l'Année internationale des forêts 2011 sur ce point. Alors une délégation souhaite-elle prendre la parole à ce sujet? La Suède s'il vous plaît.

**VI. OTHER MATTERS (continued)**  
**VI. QUESTIONS DIVERSES (suite)**  
**VI. OTROS ASUNTOS (continuación)**

**17. Any Other Matters**  
**17. Autres questions**  
**17. Asuntos varios**

*17. 1 International Year of Forests*  
*17.1 Année internationale de la forêt*  
*17.1 Año Internacional de los Bosques*

**Christer WRETBORN (Sweden)**

Sweden speaks on behalf of the Nordic Countries: Denmark, Finland, Iceland, Norway and Sweden.

At the United Nations a proposal has recently been discussed to declare the year 2011 as International Year of Forests. The General Assembly of the United Nations is expected to make a formal decision on the matter during the still ongoing General Assembly and after the Council Meeting of FAO. A Draft Resolution has been outlined in a series of informal consultative meetings. It is our understanding that the current consensus achieved will be confirmed by the General Assembly. The initial ECOSOC recommendation for the International Year of Forests stated that there is a need to raise awareness of forest-related issues. Indeed forests and forestry have become an extremely important topic of various political discussions in international fora.

This multi-faceted nature of forest issues makes it necessary to involve several UN Organizations in the implementation of the Year. Therefore, it is commendable to closely cooperate with the UN Forum of Forests. Furthermore, it will be important to engage governments, international and regional organizations as well as other relevant groups, in the implementation of the International Year of Forests.

Given the global mandate of FAO for forest issues and its Chairmanship of the Collaborative Partnership on Forests, it is very important and very natural at the same time that FAO would take an active stand in preparing this thematic Year.

FAO as a global decentralized Organizational structure and a knowledge on forest related issues in various corners of the world. FAO also has a broad experience in coordination International Years of various kinds. These qualities oblige FAO in a particular way. Therefore, we request the FAO Secretariat to start planning the activities for the International Year of Forests 2011 together with all relevant partners as soon as the decision is formalised at the UN General Assembly.

Furthermore, we look forward to the Secretariat to report to the Council in due time on the FAO plan of implementation of the International Year of Forests.

**Dirk DE JONG (Netherlands)**

I would like you to give the floor to Finland who wishes to speak on behalf of the European Union.

**Ms Marja-Liisa TAPIO-BISTRÖM (Observer for Finland)**

I am speaking on behalf of the European Community and its 25 Member States. The acceding countries Bulgaria and Romania and the candidate countries to the EU, Croatia and Turkey also associate themselves with this statement.

The theme of forests is a matter which deserves special attention. Forest issues are very multifaceted in nature, global in many respects and politically increasingly important. Even

though international thematic years are not always the only and best way of drawing the attention of political decision makers and general public to various important issues, these reasons argue for an International Year of Forests.

The European Union notes the ongoing discussions on the International Year of Forests 2011 in the United Nations General Assembly. The EU joins the Nordic Group requesting the FAO Secretariat to start, for its part, planning the implementation of the International Year of Forests 2011, within its mandate and in the framework of the UN Resolution currently being drafted in New York and to report about the plan to the Council in due time.

Furthermore, the EU invites the FAO as the Chair of the Collaborative Partnership on Forests, to work in close cooperation with the Secretariat of the United Nations Forum of Forests and other members of the CPF.

**Deo K. RWABITA (Uganda)**

As I started speaking about East Africa, I was saying that for the last four to five years the Subregion has suffered a long drought crop failure and therefore increased the shortage of food.

This is because with the increase in the population and not only in East Africa but in Africa as a whole. More natural forests are being cut down without replacing them and many of these areas lack electricity. Therefore, people must cook their food, they have to cut the trees, there is no way you can stop them, they have to eat. So, definitely with the help of FAO and other development partners, Africa and East Africa as such will need to apply new ways of afforestation, so that farmers can have their own wood lots, where they can get their firewood and also at the same time, contribute to the good climate and more rainfall for the Sub-region.

We look forward to any assistance to these areas and Africa as a whole, so that with more forests, definitely we shall get more rain and our climate would improve for more production of food items.

**Olmedo ESPINO (Panamá)**

En realidad no nos vamos a referir al tema sobre los bosques sino al tema de Asuntos Varios. Y aquí sí queremos dejar constancia del sentir nuestro, como representantes de Panamá, en este período de sesiones de la FAO.

Si considera el señor Presidente que podemos, nos da la palabra en Asuntos Varios después que ha terminado el tema de los bosques.

**Matt DEUTSCHER (Canada)**

We have heard from our distinguished colleagues that FAO has been invited to serve as the lead Agency for the International Year of Forests in 2011. We would appreciate any information on how FAO would fund activities for the International Year of the Forests, should it agree to be the lead Agency. We would also be interested in what types of activities this might entail.

**Ms Ligia Maria SCHERER (Brazil)**

Just to say that Brazil participated actively in the negotiations in New York concerning the International Year of Forests. The host role of FAO in this is undoubtedly very important but, at this stage, in noting the proposal of the Nordic Countries we would state that of course it has to be in full respect of the resolution to be adopted by the General Assembly.

As a point of clarification I understand that there has not yet been a decision on the lead Agency for the International Year of Forests. That is what the Resolution in New York is going to decide, this is my understanding.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

I think the point that has been mentioned by Brazil is worth noting, in that the debate about whether FAO will be lead Agency or not is still ongoing in New York. With that, I would like to urge the Members of FAO in Rome to work with their delegations in New York to ensure that the

agricultural component is highlighted. Unless this element is understood and appreciated in New York, to the extent that we are discussing here, the question of FAO leading this initiative would remain in balance. We would appreciate very much that this is so but it depends on us all here working to help that initiative being acknowledged and the role of FAO is given due consideration by New York.

**Jan HEINO (Assistant Director-General, Forestry Department)**

The FAO Secretariat is ready to start planning, on its part, and will report to the Council as requested. We are aware that informal negotiations are taking place on the proclamation of the International Year of Forests, within the Economic and Financial Committee of the United Nations General Assembly, the Second Committee, based on a Draft Resolution introduced by Croatia in November this year.

Of course, given FAO's international reach and its role as an executing Agency, the FAO Secretariat is ready to contribute to the activities of the International Year of Forests, in close cooperation with partners, as requested.

We consider the implementation this year as a joint effort involving Members of the Collaborative Partnership on Forests, NGOs in addition to governments – governments, of course, being the key players.

On global forest issues, the FAO Secretariat has worked closely with UNFF Secretariat and other members of the Collaborative Partnership on Forests and continues to do so.

Regarding the issue on how to finance the International Year of Forests in 2011, it has to be, of course, planned for. We think that the contribution to the implementation of the International Year of Forests would need to be carried out, largely, through extra-budgetary resources, with minimum costs to the Regular Budget.

**Olmedo ESPINO (Panamá)**

Hemos escuchado con mucha atención los debates del 131º período de sesiones de este organismo de las Naciones Unidas para la Agricultura y la Alimentación, los cuales se han centrado en la necesidad impostergable de reformas a la estructura y a las funciones del organismo basadas fundamentalmente en la descentralización, y en la búsqueda de una mayor presencia de la FAO en el medio rural de nuestros países en vías de desarrollo. Consideramos que, en lo que concierne a la agricultura, es sumamente importante que los países desarrollados corrijan las inequidades existentes en su política comercial. Aquí quiero hacer referencia al alto arancel con que la Comunidad Económica Europea ha gravado las importaciones de bananos desde América Latina. Apelamos a la solidaridad de la Comunidad Económica Europea.

Es importante acelerar el proceso de reestructuración de la FAO. Con el trabajo que realiza la Evaluación Externa Independiente, más los mandatos que se le han dado al Director General por parte del Consejo, se tienen los elementos necesarios para que en el 2007 se inicie la implementación de las reformas. Esperamos que en el 2007 se hagan avances significativos en la implementación y que la organización le dedique más tiempo a su noble misión a través de la agricultura y la alimentación, terminar con el hambre y disminuir la pobreza en el mundo, sobretodo en los países más necesitados.

**VI. OTHER MATTERS (continued)**  
**VI. QUESTIONS DIVERSES (suite)**  
**VI. OTROS ASUNTOS (continuación)**

**17. Any Other Matters**

**17. Autres questions**

**17. Asuntos varios**

*17.2 Address by Staff Representatives*

*17.2 Déclaration des représentants du personnel*

*17.2 Intervención de los Representantes del Personal*

**Edward SEIDLER (Chairperson, Field Staff Association)**

It is indeed a privilege to speak to you on behalf of the staff of FAO and we would like to express our appreciation to the Director-General and the Chairman for permitting us to address this Council. A copy of our statement will also be made available for your information.

Since last year's Conference, the Organization has been in an ongoing state of intense planning and discussion concerning reform. All staff hope that the changes implemented so far will strengthen our ability to address the most essential needs of the world's population: to give all people access to nutritionally-adequate and safe food at all times, to reduce poverty, especially among rural people; to protect natural resources; to foster agricultural development and to respond to natural and man-made crises.

The Staff Representative Bodies have frequently met with Senior Management to discuss the reform proposals, and have provided Management with the staff's perspective on reform developments.

We canvassed our members to obtain feedback on the reform process. We held meetings with staff throughout the Organization, and completed surveys to better understand their points of view. From this consultative process with our members, we know that staff are open to the myriad possibilities available for working in new ways.

The staff of FAO are flexible, open to change and many welcome the prospect of increased mobility. Our communication with large numbers of staff mean that we can assure you that staff are eager to contribute constructive, progressive and informed ideas to enhance the work of the Organization. However, many feel that this opportunity has been denied to them, and that there has been a lack of timely and accurate information on the specifics of the reforms being proposed.

Staff have pointed out various critical shortcomings in the reform process. There are weaknesses in communication, especially at the mid-management levels of the Organization, regarding the timing, rationale and scope of possible reforms and post reductions. Expectations that the existing and proposed Decentralized Offices will actually be able to carry out a large number of tasks, given logistical difficulties and the limited number of staff are unrealistic. And there is real concern that an over-stretched and downsized Headquarters will not be able to adequately support Decentralized Offices and carry out their substantive normative work programmes at the same time.

We are thus compelled to say that deep frustration and anxiety exists over the feasibility of some reform proposals and the envisaged accelerated pace of implementation. This fear and anxiety is compounded by the financial constraints that the Organization is now facing. The ever more precarious budget situation produces serious doubts that reforms can be carried out in a comprehensive and appropriate manner. Staff have the distinct impression that the underlying rationale for some of the proposed changes was the need to reduce expenses quickly, but without a full assessment of how the changes will lead to true efficiencies, improvements in service and reductions in both obvious and hidden costs.

As staff, we suffer the effects of insufficient resources every day. We see the impact this is having on the quality of our work and the services delivered by the Organization. Even in so-called priority areas, our capacities are limited and will be further stretched if the planned reforms proceed within the existing budget scenario.

Staff feel that we are unable to carry out tasks to the full extent required, according to the standards expected and which we would like to offer.

The Staff Bodies have previously flagged all of the above concerns. But, right now, the negative and worrying effects of these budgetary constraints are being felt.

Programmes are being cut and activities curtailed. Approved meetings, publications and projects are being postponed indefinitely. Highly-experienced individuals who are capable of providing results effectively and efficiently are not being hired. Instead, there is a growing reliance on less experienced temporary employees and volunteers who may be well qualified and highly-motivated, but simply do not have the combination of experience and understanding required to deliver the quality results which you, the Members, expect.

Of course, efficiency and quality of programme delivery do not depend solely on the technical Professional staff. The International Civil Service Commission is reviewing the definition of general service work to account for the changes that information technology has brought to general service functions.

The General Service's contribution to the execution of the programmes through work that is not only procedural but increasingly operational, technical and power professional in nature is thus likely to be recognized by the ICSC.

General Service functions support programme and process continuity and are central to efficient service delivery. Off shoring and outsourcing, which may seem appealing from a pure cost perspective, may indeed be less attractive when considered in terms of the impact on programme delivery. The General Service category has been downsized by some 40 percent over the last decade, with some GS functions being transferred to Professional level, leaving less time for the Professional staff to concentrate on technical matters. This is neither cost-effective nor sensible.

There is another major concern that affects the sustainability of this Organization. With year on year budget cuts and greater reluctance to extend fixed-term contracts recently recruited staff, the very future of FAO, question whether they will be able to continue to serve the Organization. Staff who have been with FAO for many years are saddened to see that the Organization is increasingly unable to provide the same level of technical assistance that it once provided, and they worry for its future viability if things are to continue as they are.

Since 1994, FAO has faced continual zero real growth budgets representing a 25 percent reduction in resources. This has been reflected in overall programme cuts and more importantly in significant cuts in staff in both headquarters and in the Regional Offices. Technical disciplines have seen their staff cut in all locations. Many staff believe that the current reform and decentralization proposals are under-budgeted. They are worried that the dispersion of the limited number of remaining staff and the reduction in important disciplines, such as rural development, agricultural support systems and rural institutions will lead to a loss of critical mass in many technical units and in decentralized locations, remaining officers will be expected to service unreasonably large mandates.

Distinguished delegates, many staff envisage a scenario where FAO will become a weakened headquarters with under funded and ineffective 'islands of too limited expertise', spread throughout the Regions – is this acceptable? Is this what reform should achieve?

Consider what the impact will be if the financial situation continues to deteriorate further. Many doubt that FAO will be able to carry out those functions that are the core components of FAO's mandate, let alone rise to new challenges. Many staff have retired or are about to retire. How will FAO attract and retain high calibre staff and managers if potential applicants know they will not have the budgets needed to carry out essential work?

Will FAO's precarious finances lead to a situation in which the Organization is unable to fulfil its obligations to staff if termination indemnities need to be paid? While we are thankful that drastic cuts in staffing did not occur in 2006, we do fear that significant cuts in staffing will be unavoidable in the next biennium unless solutions to the deteriorating financial situation of the Organization are found during 2007, and a realistic budget is approved.

Honourable Members, a viable reform to improve the service that FAO provides to its Member Countries must be driven by a clear vision of the role FAO must play within the international community; there should be a realistic strategy and sufficient resources to meet the challenges and expectations placed on the Organization by its members, especially in assisting Member Nations to achieve the Millennium Development Goals each has set.

FAO and its staff have more potential than perhaps you believe they do. Together, we really can change more people's lives for the better all over the world – if we are given the chance.

The staff of the world's 'Ministry of Agriculture' sincerely hope that you will provide us with that opportunity.

On behalf of the Organization's staff at headquarters and all those staff in the Field, we thank you for this opportunity to address the Council.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

I would like to register my appreciation of the comments received from the Staff and to also indicate that as FAO Council Members we do have a responsibility.

We appreciate the comments of the various stakeholders, but I would hope that they would also appreciate the comments of other stakeholders. The reform of this body is not the responsibility of one category of stakeholders. We meet only once a year, as we have done now, and so we would like to have that opportunity to contribute to the shaping of the Organization, as well as, the Staff do have that opportunity that I would like to request of the Staff is to bear with us. Some of these changes, particularly on the decentralization that was touched on, we have gone into them as the developing world that is going to benefit from this. We would not recommend a delay; we would rather suggest that the Staff meet us halfway to ensure that this decentralization succeeds.

Yes, there will be new personnel coming on board but we do hope the strengthening programmes that have been introduced through the Human Resource Department will be enhanced to make sure the service delivery in those regions is upgraded to the level that is expected of any region.

I would not want to think that the statement by the Staff was intended to influence the decision we have to take here. I would like to take it as information.

**Willem BRAKEL (United States of America)**

I would just like to react briefly to the presentation by the Staff Representative. I will remind Members that during the discussion earlier this week on the Programme Implementation Report (PIR) for 2004-05 the United States delegation had the opportunity to recognize the many contributions of FAO staff. We reiterate here that the men and women of FAO, working at Headquarters and around the world, are the Organization's key strength and we wish to salute here again their dedication and service.

We take note of the remarks made by the Staff Representative. Certainly as FAO undergoes reform we recognize that the profound impact that institutional change may have on morale, well-being and the work of the Staff. We therefore believe that it is important that reforms and change be conceived and implemented in consultation with all stakeholders, including Staff, recognizing though, of course, that the final decision rests with the Members in consultation with senior management.

**Mrs Tritaporn KHOMAPAT (Thailand)**

I would just like to say that Thailand recognizes the value of experienced staff working in Headquarters, as well as, in Regional Offices. We share the same concerns that the Staff

Representative just mentioned to us. I think that exists also the concerns that the other representative here have got as our mandate, that we have to do our best to give the fairness to experienced staff and also to enhance the effectiveness of FAO. We will do our best.

#### **LE PRÉSIDENT**

Après avoir examiné l'ensemble des points inscrits dans l'ordre du jour, le Comité de rédaction va se réunir tout de suite dans la salle du Liban pour préparer le projet du Rapport.

Nous nous réunirons à nouveau demain à 11 heures. Et enfin, nous nous retrouverons samedi à 11 heures pour l'adoption du Rapport.

Veuillez également noter que le Président du Conseil a convoqué les Chefs de groupes à une réunion 15 heures 30 dans la salle d'Allemagne, c'est-à-dire à partir de maintenant.

*The meeting rose at 15.40 hours*

*La séance est levée à 15 h 40*

*Se levanta la sesión a las 15.40 horas*





# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**NINTH PLENARY MEETING  
NEUVIÈME SÉANCE PLÉNIÈRE  
NOVENA SESIÓN PLENARIA**

**24 November 2006**

### **III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS (continued)**

### **III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION (suite)**

### **III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS (continuación)**

#### **9. Implementation of Conference Decisions on Reforms and Proposals from the Director-General (CL 131/18) (continued)**

#### **9pplication des décisions de la Conférence sur la Réforme et propositions du Directeur général (CL 131/18) (suite)**

#### **9. Aplicación de las decisiones de la Conferencia sobre las reformas y propuestas del Director General (CL 131/18) (continuación)**

#### **CHAIRMAN**

I declare open the Ninth Meeting of the One Hundred and Thirty-first Session of the FAO Council.

I have convened this meeting to return to the Agenda Item 9, Implementation of Conference Decisions on Reforms and Proposals from the Director-General.

We last discussed this Item in Plenary on Thursday and you will recall that I suspended that formal debate to undertake consultations with delegations to explore the scope of possible common conclusions on this Item. You will recall that we have five issues before us: (i) the proposed configuration of the Shared Services Centre following authorization of the 2005 Conference to establish a Shared Services Centre; (ii) the transfer of Regional Office of Europe from Rome to Budapest, which the Secretariat has recalled was a recommendation of the Independent Evaluation of Decentralization; (iii) The proposed Headquarters structure; (iv) the proposed Sub-regional Office for Central America; and finally (v) the proposed Subregional Office for the Persian Gulf countries.

I would now like to pass the word to delegates who will speak on behalf of regions to express common positions on the matters I have just outlined that are before us for specific guidance or decision from the Council.

At this stage, I would ask Members speaking for the regions to refrain from making statements not directly related to the five issues I have just outlined, later on we will have the opportunity to do so. I seize this opportunity to sincerely thank all the delegations for their spirit of cooperation and the amount of time and energy that they have spent on informal discussions, and I hope that the result of all those discussions will bear fruit today in our meeting.

#### **Pekka HIRVONEN (Observer for Finland)**

I will reflect on it from the European Union point of view.

The FAO reform process is part and parcel of a greater effort to strengthen the credibility, coherence and efficiency of the UN System. It is quite essential that FAO reforms will be in line with both the evolving UN and international development architecture. Furthermore, FAO is in the middle of a very important IEE process.

We would like to recall the common view reached at the conference, that the IEE would provide useful evidence for the reforms and that the IEE and the reform proposals should be mutually supportive. That cannot be achieved if we do not consider properly and indepth what each of these processes and proposed actions will bring along. What implications they will have on FAO's work, finances and human resources, and its capability to support more effective country strategies towards the MDGs.

A solution to the financial problems must be sought in order to avoid damage to the core priority programme and in order to constitute a foundation for further development of the Organization.

Concerning the Shared Services Centre we are not convinced that the intended results can be achieved with the proposed arrangement and therefore an indepth cost benefit analysis is necessary.

The five new decentralized offices to be established as the first step of the Director-General's Reform Proposals are expected to be functional by the end of this year. After they have been in operation for a period of time we will be able to see how the proposed concept works. Only after that will it be possible to draw practical conclusions and make informed decisions on possible further steps in the FAO Reforms, including the two additional Sub-regional Offices proposed by the Director-General.

Restructuring – The Restructuring of the existing Departments within FAO seems to bring more clarity in the division of work.

Finally, all in all we consider it opportune to give more time for the first phase of reform process to gain momentum and also to take full advantage of the results of the IEE as well as other ongoing reforms within the United Nations.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

First of all, my delegation, speaking on behalf of the G77, wishes to acknowledge the vast cooperation that has taken place during the negotiations that we have undertaken with various delegations whether expressed or inferred in our discussions. We do realize the challenges that lie ahead of us and we accept that as a Membership we have been called upon to come to this meeting to take a decision on the way forward.

I wish to refer to my earlier statements. As you say, Mr Chairman, we will not go into details. So my earlier statement on the subject still stands, but in view of the discussions we have held we thought we were coming to some understanding and we also felt that all the regions were moving to finding a way forward. In the same vein, like Europe, we do embrace the changes that are coming out of the headquarters' reforms. As a region, we have our own areas that we have already indicated in the statements that were made in the past two/three days where we think these reforms should also take cognisance. In particular, we have mentioned the various programmes that we thought had not been given their due consideration and we would hope that in this reform these programmes would be given such consideration. I will not belabour that, because I think that in our statements we have made that clear and we are prepared to give you full information, should the information be necessary.

On the issue of the Regional Offices - we have come to this body with a request for two Regional Offices; that is a request for the Regional Office for the Central American countries and a request for the Gulf Countries. We are looking at this as areas where our current need lies; that is to deliver the service to the beneficiaries. Yesterday we tabled this in our negotiations with colleagues and we indicated areas where we were prepared to discuss but, I must admit, that discussion never took place. I would like to think that judging by the discussion that came from the previous speaker, my delegation does support these Regional Offices, but we are prepared to discuss with others in order to find a meaningful way forward. We would not like to hold up a decision in this Conference; we do want to find a way forward.

When it comes to the Regional Office for Europe, we indicated our decision in the meeting yesterday. We are prepared to go along with the Secretariat's proposal and we do invite Europe to join us in this decision. After all, it is a Regional Office that is going to their region; it is a Regional Office on which the decision has been arrived at through a Conference decision in which Europe participated.

The same applies to the Shared Services Centre. The figures that are provided before us are confounding, and we have drawn this to the attention of Europe, that really in our statement we indicated that we cannot leave this body without finding alternative ways of assisting the

Organization to find the required resources. And so, again, we had expected to work with Europe on this subject to find a solution to the requirement for resources that was submitted by the Secretariat.

As far as the G77 is concerned, we have no difficulty in supporting the transfer of the Shared Services Centre to Budapest, but we would like Italy and the European Union to join us in this decision. We feel that we are working as a team and would like our colleagues to join us in taking this decision.

So, I think I have responded to your five questions. The G77 is prepared to support all these positions, as I have indicated, but we would like partners to go along with us.

We are prepared to discuss and make concessions where we think we can arrive at a way forward, but, I wish to say, that the statement that we heard the European Union did not give us any room for concession. So, I would like to table our proposal as it is.

#### **CHAIRMAN**

Thank you, the Representative of G77. Now that we have listened to two umbrella groups, I would like to go to Regional Groups, both in OECD and in the G77, and listen to their proposals which come from the result of negotiations that they have had during the past two or three days.

#### **Lee BRUDVIG (United States of America)**

I would just like to make a few observations and once again to make a point that we have made many times before. There is one area of overwhelming consensus among every person in this room. I am convinced of it; and that is to most effectively implement the Millennium Development Goals and to make sure that that is done in the most cost effective, efficient and strategic way possible. From the standpoint of the North America division, that is our overriding goal.

The debate that has taken place over the last couple of weeks or months has been an emotional debate.

It has been a political debate. It has been a debate that has progressed and continues to progress. It is a debate that, the further we move ahead the more questions we find and it is a learning process for all of us. That indicates that we are making progress in our goal to achieve the Millennium Development Goals.

We all recognize that FAO needs a fundamental restructuring. I think there is also a growing recognition of the financial challenges to the Organization.

The discussion has revolved around: the need to restore the financial health of the Organization to ensure the long-term sustainability of the Organization; to make sure it proceeds in a way that is fully compatible with broader reforms that are taking place in the United Nations; to make sure that this Organization takes advantage of the resources that will be available in other areas of the United Nations, as that restructuring goes forward; not to undertake reforms which contradict those reform processes and; to make sure that we take full advantage of the wisdom of a pre-eminent group of people that we have brought together under the auspicious of the Independent External Evaluation.

I would like to take this chance to gain a bit of perspective on the future by taking a look at the past. We have decided that decentralization, in a pilot phase – I say pilot phase because that appears directly in the FAO Web site – is a good thing. It has a potential to deliver prosperity, hope and well-being to the 800 and some million people that require our attention urgently. We have decided, in our Resolution, to pursue the decentralization programme.

I think that encompasses a number of the issues that we have already discussed. We do not need to go over that ground again.

What is really important is, looking at the process moving forward, that we recognize – as one of our colleagues put it – one, that we put the horse before the cart and two, we do not load up that

cart too heavily with requirements, given the fact that we have a very weak horse. We need to feed that horse. There are sources of resources that we can use but we must not put ourselves in a situation where we are setting ourselves up to fail. We have to recognize the limitations.

That having been said, there are proposals on the table for Sub-regional Offices in Central America and the Persian Gulf. This morning we had, among a group of OECD countries and others, some very useful discussions with Manoj Juneja talking about the whole chain of delivery from Headquarters – which is, at this point, FAO as a repository of an astounding collection of technical and human capacity, which is unique in the United Nations and in fact unique in the world. We must not undermine that. We need a more effective mechanism to deplore those resources into the field: to capture the political will; to make sure they are used effectively and; to make sure that we are not overextending the finances of the Organization as we deploy in far-flung parsons of the world. Those require very careful analysis.

In our technical discussions, in my mind, we continue to raise as many questions as we provide answers. What that means to me is that there is a need for further consultation. We hope that we can continue to talk concretely, with the proposed regional groupings that are intended to benefit from the decentralization, but we feel that is premature, at this point, to make a firm decision. It is not urgent. It will be a much more compelling decision if we allow it to progress on the basis of technical information.

The challenge at hand is, we have a political decision in front of us. Will it be an informed political decision: on the basis of the wisdom of the IEE; on the basis of the financial realities at hand – the Secretariat is preparing a financial plan aimed at restoring the health of the Organization – and; will it be a decision that is fully compatible with the broader tasks of the United Nations? If we make a decision today, I believe it will not be a fully informed decision. I would very much hope that we can continue to pursue discussions aimed at making sure that the final decision we make is the decision that is best for the Organization, best for the regions and, particularly, best for the recipients – the people in rural areas who currently are not fully obtaining the benefits from FAO in the way they could be, specifically, in the regions in which we have designated for reform.

**Alfredo Néstor PUIG PINO (Cuba)**

Nuestro grupo regional comparte y apoya la declaración hecha recientemente por la Embajadora de Zimbabwe a nombre del Grupo de los 77. Sin embargo, consideramos que es necesario continuar ampliando el significado y la importancia que tiene esa declaración para nuestros grupos regionales. La interpretación que le damos a esa declaración hecha por el G-77 es que nuestro grupo en todo momento mantiene una posición de diálogo, una posición constructiva, de apoyo a las reformas de la FAO, pero que indudablemente no refleja totalmente que estemos de acuerdo con las propuestas que se están haciendo.

Mi grupo regional considera, o esperaba, que en esta ocasión decidiéramos algunas propuestas que se acercaran un poco más a las solicitudes que hemos estado formulando y que indudablemente van en función de cumplir con los compromisos ya contraídos en cumbres anteriores para tratar de eliminar el hambre, la pobreza, la desnutrición en las poblaciones aquejadas. Apreciamos realmente el esfuerzo que usted ha hecho y que está haciendo para lograr que en este Consejo tengamos un consenso que de verdad refleje el interés de todos. Sin embargo, debo decir que no nos sentimos complacidos.

El lenguaje, quizás, que hemos estado escuchando hoy podría diferir un poco del lenguaje que hemos escuchado hasta ayer, pero debo confesarle que no es un problema de lenguaje, es un problema de acciones, de comprensión, y sencillamente nuestro grupo no aprecia que haya una posición que tienda realmente a que este Consejo llegue a conclusiones satisfactorias para todos. Esto nos lleva por supuesto a ratificar que nuestro grupo considera que este Consejo está en condiciones de apoyar y de aprobar la apertura de una oficina subregional en Centro América y que, a partir de ese apoyo que esperamos recibir de todos, pueda establecerse quizás un proceso de implementación de la misma que siga los procedimientos ya abordados para ello. Estaríamos

incluso de acuerdo en aceptar una implementación paulatina de dicha apertura. Sin embargo, no apreciamos en realidad, de acuerdo a las intervenciones que hemos escuchado, que el consenso vaya por ese camino. Tengo el deber de instar, y repito insto y no apelo, a la comprensión del resto de los miembros del Consejo acerca de la importancia que tendría que el Consejo se pronunciara a favor de nuestra solicitud.

Nuestro grupo regional, con respecto a las demás propuestas que hemos estado examinando y que usted nos ha mencionado, tiene algunas otras consideraciones que podremos irlas expresando en la misma medida en que vayamos avanzando con este espíritu que mantenemos de forma directa y constructiva.

**Ms Fran FREEMAN (Australia)**

We appreciate that implementation is proceeding as agreed by the Conference decision of 2005, including the specific headquarters restructuring, establishment of the five Sub-regional Offices you referred to and the establishment of the Shared Services Centre (SSC).

We see the establishment of the SSC as sensible and the associated cost savings is very positive.

We also welcome the range of other measures identified to improve administrative efficiency that are within the Director-General's authority. These measures are of themselves, significant.

We would like to wait until the full implementation of the pilot phase of the decentralization process – as approved by the last FAO Conference – and the availability of the results of the IEE investigation and the possible impact of broader United Nations reforms.

I think it is safe to say, from all the Members here today, that we acknowledge the need and the significance of reform and restructuring, but we also see it as being important to get it right the first time. We attach great importance to the on-going reform process put forward and we would like to see this continued. To reaffirm some comments made by the delegate representing North America, there is the danger of putting a cart before a weak horse.

We welcome measures identified to improve the efficiency and effectiveness of the delivery of FAO's crucial mandate for mankind.

**Mohamed ELTAYEB ELFAKI ELNOR (Observer for Sudan) (Original language Arabic)**

We wish you every success in the historical task that lies ahead of you.

The Near East Group full heartedly supports the statement made by the Chair of the Group of 77 in China.

We respect the opinions of all our colleagues in this Council. Nevertheless, the Near East Group considers it necessary to open a Subregional Office in the Gulf Region and we think that the way this decision is implemented is the task of the Director-General in consultation with the countries concerned, bearing in mind that all costs entailed in opening such a Sub-regional Office would be borne by the Gulf Countries. In this respect, we would refer you to the decisions taken by the Regional Conference of the Near East which was held in March last and also all the arguments that appear in CL 131/18 in this respect. Nevertheless, we are indeed perfectly prepared to negotiate and also to agree to a gradual implementation of the decision to open such an important Subregional Office for our region

**Mrs Nasrin AKHTER (Bangladesh)**

Bangladesh speaks on behalf of Asia Region, especially Asia Region of G77 Group. We do support also the statement made by G77 Chairperson, wholeheartedly, however, our Region prefers the decision that we made regarding the UN Reform at our Regional Conference in 2006.

**Akeel EL KHALDI (Observer for Qatar) (Original Language Arabic)**

We support the statement made by the distinguished Ambassador of Zimbabwe on behalf of the Group of 77 and also that of the distinguished Representative of Sudan concerning the reforms and the opening of Sub-regional Offices of the Organization in the countries of our Region. We

would like to recall that at the Ministerial Conference of the Near East Countries which was held last March in the city of Sana'a. It supported the reforms and the opening of the Sub-regional Office in the Gulf. The Gulf region despite not being essentially an agricultural region, which does not signify that it will rely on other resources at infinitum, more than 75 percent of the people of that region live on fishing. This is a vital resource in our Region and it requires development, studies and surveys. This Organization which has such an experience could help us. We are, in addition, facing difficulties in other areas, for example, desert creep and water resources and water management. The rural population in our part of the world equals 35 percent of the total population and, on the basis of the latest FAO data, 45 percent of those suffer from malnutrition. Of that 45 percent, 17 percent live in rural areas. If we were to open a Sub-regional Office, it would be a very important opportunity to help this region to develop and also achieve food security. Not only do we wish to point out that such a Sub-regional Office opening up in our Region would not cost the Organization a penny, not a cent of the regular budget but in addition it would help keep the experts that the Organization already has and, once again, we would like to emphatically request the opening up of such a Sub-regional Office.

**Seiichi YOKOI (Japan)**

As the delegation of Bangladesh mentioned, the position stated by Bangladesh is that of the Asia Group of the G77. If you allow me, I would be pleased to express our views.

As we expressed in the previous Session of the Plenary, Japan fully supports the first stage of the reform, including establishment of the Shared Service Centre. And, for other elements that the Chairperson raised, that is the European Regional Office, headquarters and Sub-regional Offices in Central America and Gulf countries, we believe that we need evidence that the proposed reform will benefit the Member Nations and contribute to improvement of the financial situation, and go along with the outcome of IEE is also compatible with the reform of the whole United Nations system. This is our position.

**Ibrahim BOCAR DAGA (Mali)**

Je crois que quand on fait un pas en avant et deux en arrière, forcément on recule. Nous étions dans cette disposition d'esprit où on évoluait vers une conclusion. Mais, on se rend compte avec toutes ces interventions qu'il n'en est rien et que nous nous enfonçons encore plus dans des blocages inutiles. Nous pensions qu'un consensus pouvait se trouver au niveau des réformes, au niveau du Siège, au niveau du Bureau en Europe et du Centre des services communs et qu'il n'y avait que l'ouverture de nouveaux bureaux qui pouvait poser des problèmes à certains.

On nous dit qu'il faut qu'on voit d'abord les résultats de ces bureaux pour savoir si c'est opportun de poursuivre ou non nos actions. Je me demande, quelle que soit notre intelligence, comment nous pouvons apprécier les résultats des bureaux qui ne sont pas encore ouverts. A mon sens, ce n'est qu'une fois opérationnelle, que l'on peut juger si nous avons été bien avisés d'ouvrir des bureaux ou pas. Ce n'est pas de la théorie. L'Afrique, au vu de la présence sur le terrain de la FAO, croit pouvoir assurer que ces bureaux sont utiles. C'est pourquoi, nous suivons et nous soutenons fortement la proposition du Secrétariat. Qui plus est, nous voulons vraiment savoir où est la logique. Après avoir décidé à une Conférence souveraine de certains interposés, aujourd'hui nous nous posons la question: "faut-il aller de l'avant ou faut-il s'arrêter?" Il y aurait, soit disant un problème entre un cheval et une charrue, et on ne sait qui il faudrait mettre devant. Le cheval est soit disant faible, mais n'est-il pas notre cheval? Ne nous appartiendrait-il pas de l'entretenir et de le mettre en embouche? et voilà qu'on nous fait tourner en rond. Nous pensons qu'il faut faire preuve de bonne volonté.

Tout le monde ici se déclare satisfait des performances de la FAO. Tout le monde ici se réjouit, semble-t-il, de la gouvernance étant donnée que personne n'a dit que c'est parce que la FAO est mal gouvernée qu'on a ces problèmes de trésorerie. Cette crise de trésorerie, en fait, c'est notre faute à nous tous. C'est là où je rejoins mon ami du Japon pour dire que tout le monde est responsable de ça, aussi bien les gros donateurs que les plus petits. Naturellement, la pondération ne saurait être la même entre un pays qui a quelques petits milliers d'euros à payer et un autre qui

en a des dizaines de millions. De ce point de vue il faut faire preuve de loyauté avec nous-mêmes et qu'on avance positivement. Nous ne pouvons pas sortir de ce Conseil en revenant sur les décisions de la Conférence. Nous avons des pays mandants et nous avons surtout nos parents qui ont faim et que l'on peut nourrir. Quand je dis nos parents, j'entends tous les affamés que nous voyons sur la carte, il y en a un peu partout. Aucune région n'a le monopole des affamés. Donc, si nous pensons vraiment à la FAO et à sa mission, je crois que nous pouvons trouver une solution commune dans l'intérêt de notre Organisation afin qu'elle puisse atteindre ses objectifs. Nous ici à Rome nous avons assisté à des évaluations au niveau du PAM. Nous avons assisté à une évaluation au niveau du FIDA. Nulle part on a demandé au Secrétariat de ces Organisations d'arrêter.

Pendant qu'il y avait les évaluations par ci, par là, les Directions remplissaient leurs missions et ne prenaient des mesures que si elles estimaient qu'elles étaient nécessaires à la bonne marche de l'Organisation en question. Il ne faut pas se faire d'illusions, les réformes que nous demandons pourraient être dépassées dans un an, dans deux ans. Les réformes que l'évaluation externe, indépendante de la FAO sera amenée à proposer pourraient elles aussi être dépassées dans quelques mois. Comment peut-on affirmer qu'il faut absolument attendre que nous ayons obtenu les résultats d'une évaluation qui à ce stade se révèlent hypothétiques? à moins qu'il y ait des initiés pour nous arrêter d'avancer? Toute Organisation qui fait une évaluation travaille en même temps qu'elle évolue. Nulle part, les propositions qui nous ont été faites ne remettent en cause le fondement de la FAO. Au contraire, ceux à qui nous avons confié la Direction de l'Organisation, et c'est leur rôle, estiment qu'en menant telle ou telle autre action la FAO pourrait évoluer positivement. Quand bien même on évoluerait positivement. C'est une loi de la nature.

Seul celui qui ne fait rien ne se trompe pas. Nous ne voulons pas être des gens incapables même de se tromper à supposer que ce soit le cas. Nous ne pouvons pas laisser prendre la FAO en otage sur des bases uniquement financières. C'est malheureux de le dire mais c'est semble-t-il la triste réalité. La majeure partie des Membres de la FAO sont des pays bénéficiaires et c'est là où le bât blesse. C'est comme si on assistait à une crise de multilatéralisme qui, par définition, est tout le sens de la solidarité internationale. Parce que tous les pays qui freinent ici, qui ne veulent pas qu'on avance, sont des pays généreux devant l'Eternel. Ce sont des pays qui aident sur le plan bilatéral énormément les autres pays. Mais ici, il y a un creuset de rencontres. Ils ne veulent rien faire. Or la FAO a été créée pour ça. J'en appelle au sens élevé de la sociabilité des uns et des autres en ayant pour seule pensée les obligations de la FAO.

Par définition tout le sens de la solidarité internationale. Parce que tous les pays qui freinent ici, qui ne veulent pas qu'on avance, mais ce sont des pays généreux devant l'Eternel, ce sont des pays qui aident énormément les autres pays sur le plan bilatéral. Mais il s'est créé un creuset de rencontres, ils ne veulent rien faire. Or la FAO a été créée pour cela. J'en appelle en tous cas vraiment au sens élevé de responsabilité des uns et des autres en n'ayant comme seule pensée les obligations de la FAO. Franchement, ces petites retouches qui nous sont proposées et qui avaient déjà été approuvées d'ailleurs par nous-mêmes. On peut se dédire si on le veut mais enfin!

Ces petites réformes que nous avons déjà approuvées et pour lesquelles nous avons donné le feu vert à la Direction de la FAO, et je tiens à rappeler une Direction qui a eu notre confiance il n'y a pas si longtemps que cela; il y a eu plus de 90 pour cent, alors il faut que l'on soit raisonnables. Vraiment je demande humblement aux pays qui ont encore des problèmes à comprendre ou à accepter pour une fois de s'aligner sur la majeure partie des pays bénéficiaires qui vivent et qui bénéficient de la FAO. Je crois que ces pays connaissent la FAO plus que tout le monde.

#### **CHAIRMAN**

I think I see some windows of hope are opening, we are moving towards the consensus, although we are still far from where we should be.

I think the best way to continue is to suspend the meeting right now and I immediately invite the Chairpersons and Vice-Chairpersons of the Regional Groups to the German Room for discussion and then at 17:00, we will be back here again to continue our discussion on this Item.



At 16:15 in the German Room please.

*The meeting rose at 16.00 hours*

*La séance est levée à 16 h 00*

*Se levanta la sesión a las 16.00 horas*



# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**TENTH PLENARY MEETING  
DIXIÈME SÉANCE PLÉNIÈRE  
DÉCIMA SESIÓN PLENARIA**

**25 November 2006**

### **III. PROGRAMME, BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS (CONTINUED)**

### **III. QUESTIONS RELATIVES AU PROGRAMME, AU BUDGET, AUX FINANCES ET À L'ADMINISTRATION (SUITE)**

### **III. ASUNTOS DEL PROGRAMA Y ASUNTOS PRESUPUESTARIOS, FINANCIEROS Y ADMINISTRATIVOS (CONTINUACIÓN)**

#### **10. Progress on the Independent External Evaluation of FAO (CL 131/3) (continued)**

#### **10. État d'avancement de l'Évaluation externe indépendante de la FAO (CL 131/3) (suite)**

#### **10. Progresos en la evaluación externa independiente (EEI) de la FAO (CL 131/3) (continuación)**

#### **CHAIRMAN**

We are starting the Tenth Plenary Meeting today. As you recall, I suspended our meeting to have another meeting with the representatives of the Regional Groups in order to finalize the discussions on Item 9 that we have in front of us. I am pleased to report that – although it was rather a difficult, delicate and long discussion – fortunately we managed to come to a satisfactory conclusion. We have consensus on the Report, which is titled Conclusions of the Chairman. It is an approved Report and in no way do we expect any change on this Report, which will go directly to the Drafting Committee to be included in their Report.

For the time being I do not have anything to add. I would like your endorsement of these conclusions and any other comments, which I am sure will not be on the issues of substance.

#### **Alfredo Néstor PUIG PINO (Cuba)**

Por la información que nos ofrece, gracias por su liderazgo que ya era conocido y que se ha reafirmado nuevamente en la discusión de este tema.

Nuestro Grupo Regional está satisfecho con los resultados de la reunión. Sin embargo, ya hemos conversado con la Secretaría al respecto de este informe, en cuanto a la versión de español se refiere. Nuestro Grupo desea aclarar que reconoce el texto en la versión inglesa y como es lógico, estaríamos solicitando que la traducción al español sea ajustada al texto original en inglés.

#### **CHAIRMAN**

Yes, I have to reaffirm that our working language was English mainly and we agreed on the English text. If there are any typos or any mistranslation, all will be adjusted to the English text and in all languages.

#### **Hassane ABI AKAR (Lebanon) (Original language Arabic)**

Tout en acceptant les conclusions du Président présentées dans ce document, et tout en vous félicitant pour les efforts que vous avez vous-même déployés pour arriver à ce résultat, nous avons quelques observations à faire sur le document CL131/REP/9b. Donc, tout en reprenant à notre compte ces résultats positifs et, tout en appuyant également la nécessité de tenir compte de toutes les réformes qui sont en cours pour les Nations Unies, nous avons peur que lier les réformes de la FAO à certaines réformes dans le système des Nations Unies, peut nous amener à une attente très longue.

Je voudrais rappeler que les conférences régionales, et notamment la Conférence régionale ministérielle, avait pris certaines décisions et je me réfère plus particulièrement à la Conférence régionale pour le Proche Orient, qui s'est tenue au Yémen en mars dernier. Je me limite à ces observations tout en reconnaissant les efforts énormes que vous avez déployés pour arriver à ce résultat.

**CHAIRMAN**

Yes, we had long discussions on all of the points that you raised and the final outcome is summarized in the conclusions.

**Pekka HIRVONEN (Observer for Finland)**

In accepting the conclusions that we have in front of us after the long Sessions yesterday and early this morning, I wish to thank you for your excellent work chairing both the Council and the Group that designed this document. I also wish to thank warmly my colleagues in the Working Group who worked persistently through the late hours yesterday and found a fair wording among ourselves. I am looking forward to further collaboration with you all.

**CHAIRMAN**

I also appreciate your very hard work. I know that it was very difficult and I thank you.

**Paul MURPHY (Canada)**

On behalf of the North America Group, I express our support for the conclusions you have presented us with. We would also like to thank you for your skilful and balanced work in Chairing the Plenary and the informal reform discussions.

We express also our appreciation for the collegial and constructive approach taken by all Council Members.

Finally, we would like to thank the Secretariat for its customary professionalism and technical excellence, particularly the interpreters and our colleagues in the messenger service.

**Ms Mary Margaret MUCHADA (Observer for Zimbabwe)**

Allow me to join those that have spoken before me to commend you for the way you steered the work of this Council. Particularly, the way you steered the negotiations. They were not easy but I think your experience came to play.

After long and difficult negotiations, the regions that fall under the G-77 in China were able to join hands with the representatives of other regions in finding a way forward to implement the proposals for the reform that had been tabled before us.

We went in knowing that these negotiations were never going to be easy and would like to appreciate the skilful role that was played by the Chair of the European Union and other Regions, because we know what enabled us to reach this result that we are now congratulating each other on.

In the same vein, I want to pay particular tribute to the Host Country for their magnanimity in this whole process.

Allow me, at the same time, to show my appreciation to all of my colleagues because we all maintained a collegial approach in negotiations. In fact, it was so friendly that we forgot that we were working until the wee hours of the morning.

Let us also appreciate the role of the Secretariat, the interpreters, the messengers and any other support staff that we might have overlooked.

Allow me, on behalf of the G-77 to commend this piece of work to you because we are with you all the way.

**CHAIRMAN**

I also thank you for your gracious cooperation and your skill in the negotiations. It was very helpful to me.

**Bright RWAMIRAMA (Uganda)**

The Uganda delegation supports the report by the Chairperson of the G-77. We want to thank the Chairman for a good job done since Monday and resilience of the Council Members during this week.

My delegation, however, still has concern over the financial situation of FAO. We want to urge all Member Nations, whether big or small, to pay their contributions on time to enable FAO to fulfill its mandated activities.

**Ms Fran FREEMAN (Australia)**

I would like to reiterate the comments of my other Council colleagues this morning in thanking you very sincerely for your commitment and professionalism in getting the outcomes that we now have. It was a constructive and learning process for us all.

I also greatly appreciate the efforts of my other Council Members in working together. Particularly, last night – I think it was a hard job and people performed well.

Finally, also to reiterate other comments made, a warm thanks to all Secretariat Members and staff for their enormous efforts this past week.

**Seiichi YOKOI (Japan)**

Japan is appreciative to go along with the gradual implementation of the reform, as described in the Chairman's Conclusions. That is the fruit of the midnight and early morning hard work of a number of delegations, with a spirit of constructive cooperation and thoughtfulness, under the leadership of the Chairman and with the support of the Secretariat.

**CHAIRMAN**

I would also like to specially thank you for your spirit of cooperation in the whole process of our negotiations.

**Javad Shakhs TAVAKOLIAN (Iran, Islamic Republic of)**

I personally, as the Chairperson of the Near East Group – as proposed by Ambassador Muchada as the Chairperson of the G-77 – fully agree with her explanation and would also like to thank you and all Members, including interpreters, messengers and all of the body that helped you arrive at these excellent Conclusions.

**CHAIRMAN**

I so declare that the conclusions of the Chairman is endorsed by the Council. It will go to the Drafting Committee to be included in the Report, but as part of the Report, I do not think there is need for reconsideration in the Drafting Committee as it has the endorsement of the Council already. I wanted to thank everybody who has helped me so sincerely during the whole process. One difficulty that I had – I wanted to thank our Host Country and our dear friend, Ambassador Bettini, but I do not know how to do it. I am left speechless, but I want to tell you that everybody attaches great expression of thanks to you because of the spate of cooperation and diplomacy that you have shown during the whole process and I want this to be recorded in the Records of the Council.

In addition, I would like to thank all my friends from the Secretariat, Mr Mekouar, Mr Juneja and all the ADGs who have worked so hard to make this Session of the Council a success. I would like especially to thank the Chairperson Secretary, and Members of the Drafting Committee. I know how hard they were working and I am happy to say that they are almost concluding their work very successfully. I would like to thank all the interpreters who have worked with us from early morning to the early morning! Thank you. I would like to thank all the messengers, all who have worked behind the scenes and we have not seen them. With this, I bring this Session of the Council to a closure. I do not know whether the Secretariat has an announcement to make. Yes, I will give you the floor.

**ASSISTANT SECRETARY-GENERAL**

Just to mention that the Drafting Committee will meet immediately after the Session to complete their work and that the Plenary will reconvene at 15.00 hrs this afternoon for the adoption of the Report of the Council.

**CHAIRMAN**

Unfortunately I have to leave. I have a plane to catch. I cannot be with you this afternoon for the adoption of the Report, but my dear colleague from Lebanon would chair that Session. I would like to say good-bye to you and thank all of you for your nice words. All of you who are going back to the Capitals, have a safe trip and all of you who are lucky staying in this beautiful Rome, have a nice time. Thank you very much.

*Applause*

*Applaudissements*

*Aplausos*

*The meeting rose at 12.25 hours*

*La séance est levée à 12 h 25*

*Se levanta la sesión a las 12.25 horas*





# COUNCIL CONSEIL CONSEJO

**Hundred and Thirty-first Session  
Cent trente et unième session  
131º período de sesiones**

**Rome, 20-25 November 2006  
Rome, 20-25 novembre 2006  
Roma, 20-25 de noviembre de 2006**

**ELEVENTH PLENARY MEETING  
ONZIÈME SÉANCE PLÉNIÈRE  
11ª SESIÓN PLENARIA**

**25 November 2006**

**ADOPTION OF REPORT  
ADOPTION DU RAPPORT  
APROBACIÓN DEL INFORME**

**DRAFT REPORT - PARTS 1 – 17.3 (CL 131/REP/1, CL 131/REP/2, CL 131/REP/2, CL 131/REP/3, CL 131/REP/4, CL 131/REP/5, CL 131/REP/6, CL 131/REP/7, CL 131/REP/8.1, CL 131/REP/8.2, CL 131/REP/8.3, CL 131/REP/8.4, CL 131/REP/8.5, CL 131/REP/9, CL 131/REP/9B, CL 131/REP/10, CL 131/REP/11, CL 131/REP/12, CL 131/REP/13.1, CL 131/REP/13.2, CL 131/REP/14, CL 131/REP/15, CL 131/REP/16, CL 131/REP/17.1, CL 131/REP/17.2, CL 131/REP/17.3)**

**LES PROJETS DE RAPPORT – PARTIES 1 – 17.3 (CL 131/REP/1, CL 131/REP/2, CL 131/REP/2, CL 131/REP/3, CL 131/REP/4, CL 131/REP/5, CL 131/REP/6, CL 131/REP/7, CL 131/REP/8.1, CL 131/REP/8.2, CL 131/REP/8.3, CL 131/REP/8.4, CL 131/REP/8.5, CL 131/REP/9, CL 131/REP/9B, CL 131/REP/10, CL 131/REP/11, CL 131/REP/12, CL 131/REP/13.1, CL 131/REP/13.2, CL 131/REP/14, CL 131/REP/15, CL 131/REP/16, CL 131/REP/17.1, CL 131/REP/17.2, CL 131/REP/17.3)**

**LOS PROYECTOS DE INFORME, PARTES 1 – 17.3 (CL 131/REP/1, CL 131/REP/2, CL 131/REP/2, CL 131/REP/3, CL 131/REP/4, CL 131/REP/5, CL 131/REP/6, CL 131/REP/7, CL 131/REP/8.1, CL 131/REP/8.2, CL 131/REP/8.3, CL 131/REP/8.4, CL 131/REP/8.5, CL 131/REP/9, CL 131/REP/9B, CL 131/REP/10, CL 131/REP/11, CL 131/REP/12, CL 131/REP/13.1, CL 131/REP/13.2, CL 131/REP/14, CL 131/REP/15, CL 131/REP/16, CL 131/REP/17.1, CL 131/REP/17.2, CL 131/REP/17.3)**

**LE PRÉSIDENT**

Mesdames et Messieurs, je déclare ouverte la onzième et dernière séance de la cent trente et unième session du Conseil. Nous allons procéder à l'adoption du Rapport de la session.

J'invite les Membres du Conseil à s'assurer qu'ils disposent tous des différentes parties du rapport qui portent les références de CL 103 – 131/REP/1 jusqu'à 131/REP/17.3.

Nous précisons que le CL 131/REP/9 comprend les conclusions du Président que nous avons adoptées ce matin sous la présidence de Monsieur M. Saeid Noori-Naeini. J'attire votre attention aussi sur le fait que le CL 131/REP/6 a été amendée cet après-midi par le Comité de rédaction et devient ainsi CL 131/REP/6/Rev.1.

J'aimerais demander à l'Ambassadeur de l'Arménie, Monsieur Zohrab Malek, qui a présidé le Comité de rédaction de présenter le Rapport.

**Zohrab MALEK (Chairman, Drafting Committee)**

I would like to be frank with you and say that I had an excellent team to work with. They all collaborated and I was proud to be nominated as Chairman. Now I am even more pleased that I worked with a great team.

We had ups and downs in timing of certain Sessions. However, we succeeded in producing a very good Report, of good quality. There was good debate, and in the end we were all pleased that we had participated. Thank you very much to all the Members in contributing towards this Report.

If there are any questions, I certainly would be pleased to answer. However, I think this is the best Report that we could produce in the circumstances.

I offer it to you for adoption.

**LE PRÉSIDENT**

Je souhaite vous remercier au nom de tous ainsi que les Membres du Comité de rédaction pour le travail accompli et chargé en même temps.

Je voudrais demander aux délégués qui souhaitent introduire des changements d'ordre strictement rédactionnel de le communiquer directement au Secrétariat afin de gagner du temps et souhaiterais que l'on évite d'évoquer verbalement ce type de modifications.

Le Conseil souhaite-t-il adopter le Rapport de la session en bloc? Est-ce qu'il y a des observations à ce sujet? Très bien, je vous suggère maintenant d'adopter le Rapport en bloc.

Y-a-t-il quelques remarques?

**Ms Miriam SAIF (FAO Staff)**

Please refer to CL 131/REP/6-Rev 1, a reference in paragraph 4 to a phrase has been left out inadvertently in paragraph 4. It is on sustainable development. I will repeat exactly where it appears, it is paragraph 4 in the English version third line down, the phrase that starts "programmatic and organizational feasibility for work on sustainable development," and then it continues as originally drafted.

**LE PRÉSIDENT**

Je vous suggère maintenant d'adopter le Rapport en bloc étant entendu que les observations effectuées par les Membres du Conseil apparaîtront dans les procès verbaux de la session.

Le Conseil consent-il d'adopter le rapport en bloc?

Le Rapport de la Centre trente et unième session du Conseil est adopté.

Je souhaite inviter le Directeur général à s'adresser à notre Conseil.

*Applause*

*Applaudissements*

*Aplausos*

**LE DIRECTEUR GÉNÉRAL**

A cette heure tardive du samedi, je serai très bref.

Je voudrais remercier tous les Membres du Conseil, tous les Observateurs et naturellement tout le Secrétariat, les interprètes qui ont travaillé dans des conditions extrêmement difficiles et toute l'abnégation qui a été montrée avec les séances de nuit et aussi le souci d'être au rendez-vous du dialogue, au rendez-vous des solutions de compromis, qui nous permet aujourd'hui de pouvoir arriver à une solution qui recueille l'assentiment de la totalité de ce Conseil.

Ce faisant, vous nous facilitez la tâche et vous nous donnez des orientations très claires pour le futur.

Je voudrais donc remercier tous ceux qui grâce à leurs efforts et grâce à leur travail ont permis à ce Conseil d'être un succès éclatant.

Encore une fois, tous mes vœux à ceux qui retournent dans leur capitale, auprès de leur famille et naturellement, tous mes souhaits de bonheur pour le nouvel an puisque nous arrivons sur la dernière partie de cette année 2006 et avec nos amis, qui sont à Rome naturellement, nous espérons continuer à entretenir des rapport directs, des rapports de coopération qui sont nécessaires entre les États Membres et le Secrétariat.

*Applause*

*Applaudissements*

*Aplausos*

**LE PRÉSIDENT**

Merci Monsieur le Directeur général et au nom de nous tous acceptez nos remerciements et nos meilleurs vœux pour la nouvelle année.

De nouveau nous remercions tous les Collègues, les Membres du Conseil ainsi que les Observateurs pour le travail qui a été effectué et je remercie de nouveau le Secrétariat, le groupe des interprètes et tout ceux qui ont contribué au succès du Conseil.

Enfin, nous devons toujours garder en considération les nobles et les grands buts pour lesquels la FAO a été créée. Merci pour tous une autre fois.

La cent trente et unième session du Conseil est close.

***The meeting rose at 17.00 hours***

***La séance est levée à 17 h 00***

***Se levanta la sesión a las 17.00 horas***