

September 2012



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

Продовольственная и
сельскохозяйственная
организация
Объединенных
Наций

Organización
de las
Naciones Unidas
para la
Alimentación y la
Agricultura

CONFERENCE

Thirty-eighth Session

Rome, 15-22 June 2013

Report of the 69th Session of the Committee on Commodity Problems (Rome, 28-30 May 2012)

Executive Summary

The Committee on Commodity Problems (CCP) held its 69th Session from 28 to 30 May 2012 and covered the following matters:

- 1) State of World Agricultural Commodity Markets
 - a) Market review: situation and outlook (paragraphs 7-10)
 - b) Medium-term agricultural outlook: trends and emerging issues (paragraphs 11-12)
- 2) Policy developments
 - a) Progress report on G20 initiatives, including the Agricultural Market Information System (AMIS) (paragraph 13)
 - b) Developments in the Doha Round agricultural negotiations and Regional Trade Agreements (RTAs) (paragraphs 14-18)
 - c) Experiences with domestic food prices and food policy during 2007–2011 (paragraph 19)
 - d) Policy interventions in support of smallholder participation in markets (paragraphs 20-21)
- 3) International action on agricultural commodities (paragraph 22)
 - a) Reform of the CCP and the Intergovernmental Commodity Groups, including the Report of the Open-Ended Working Group on CCP reform (paragraphs 23-27)
 - b) Work priorities under the terms of reference of the CCP (paragraphs 28-32)
 - c) Multi-Year Programme of Work (MYPOW) for 2012-16 of the CCP (paragraph 33)

Matters for the attention of the Council

The Committee:

- 1) Reviewed the state of world agricultural commodity markets and confirmed the importance of FAO's commodity market information and analysis in promoting market transparency and in supporting policy formulation (paragraphs 7 and 8).
- 2) Recommended that the growing linkages between agricultural, financial and energy markets should be taken into account in the Secretariat's analysis (paragraph 9).
- 3) Reviewed the medium-term agricultural outlook and the new drivers and major issues facing those markets over the coming decade, and welcomed the collaboration with the OECD and member countries on which this outlook work is based (paragraphs 11 and 12).
- 4) Took note of progress made in the implementation of the Agricultural Market Information System (AMIS) and of its high relevance to the activities of the CCP and the IGGs (paragraph 13.d)
- 5) Took note of the Trade and Markets Division's trade work and activities and recommended strengthening its capacity in a number of specific trade-related areas (paragraph 16).
- 6) Recommended that FAO keep a close watch on food price movements and policy responses and conduct in-depth analyses and country case studies as required (paragraph 19.d).
- 7) Requested FAO to continue and strengthen its assistance to member countries in both policy and programmatic actions to effectively mitigate the negative effects of high and excessively volatile food prices on vulnerable populations (paragraph 19.e).
- 8) Provided advice as regard direction for future work and support to Members in the area of policy interventions and support to smallholder participation in markets, including allocation of appropriate resources for this area of work and the importance of analysis and research to improve the understanding of patterns of smallholder market participation and their determinants (paragraphs 20 and 21).
- 9) Deliberated and decided on the various conclusions and recommendations of the Open-Ended Working Group on the CCP Reform (paragraphs 23 and 24).
- 10) Provided recommendations regarding the way forward for the future of the various sub-committees of the CCP (paragraphs 25 and 27).
- 11) Welcomed the Strategic Thinking Process launched by the Director-General and agreed to the relevance of the global trends and main challenges identified as the first output of the process, noting the relevance of all the challenges to the priority areas within the purview of the CCP (paragraphs 28 and 29).
- 12) Recognized the importance and need for more timely and reliable information on commodity markets, improved food security and vulnerability information and analytical studies as a measure to enhance market transparency and reduce price volatility (paragraph 30).
- 13) Highlighted the following priority technical areas to be incorporated in the main challenges in formulating the new Strategic Objectives and related plans and programmes for the future work of the Organization: i) commodity market information, monitoring and outlook; ii) food security information and early warning; iii) policies and strategies to support smallholder integration into markets and value chains; iv) trade and food security; v) climate change and trade; and vi) policy analysis and emerging issues (paragraph 32).
- 14) Approved its Multi-Year Programme of Work (MYPOW) 2012-2016 (paragraph 33).

Matters for the attention of the Conference

The Committee:

- 1) Recognized the importance of improved market access to commodities from developing countries as a way to enhance food security and income generating objectives of these countries (paragraph 10).
- 2) Welcomed the collaboration with the OECD and member countries on which the medium-term agricultural outlook work is based (paragraph 12).
- 3) Recognized the high importance it attaches to a Doha Round Agreement for its potential contribution creating an enabling environment for agricultural development and food security and to responding to high and volatile food prices (paragraph 15) and underlined the importance of urgent and successful conclusion of the Doha Round (paragraph 19.c).
- 4) Recognized FAO's strong collaboration with other international organizations, including WTO, in delivering technical assistance programmes and in conducting studies on markets and trade policy issues and implications for food security (paragraph 17).
- 5) Recognized that increased coordination among countries and enhanced market transparency could contribute to stabilizing markets both domestically and globally (paragraph 19.b).
- 6) Noted the information conveyed by the current Chair Country of the IGG on Tea on the resolution adopted by ten producing countries in Colombo, Sri Lanka, in February 2012 to establish an International Tea Producers Forum (paragraph 26).
- 7) Recognized the importance and need for more timely and reliable information on commodity markets, improved food security and vulnerability information and analytical studies as a measure to enhance market transparency and reduce price volatility (paragraph 30).
- 8) Hosted a special event on "FAO-Cooperatives Meeting: Working Together for the 2012 International Year of Cooperatives". Two Special Ambassadors for Cooperatives were nominated during this event (paragraph 34).

Queries on the content of this document may be addressed to:

Boubaker Ben Belhassen

Secretary, Committee on Commodity Problems

Tel. +3906 5705 5385

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I. Introduction

1. The Committee on Commodity Problems held its 69th Session from 28 to 30 May 2012 at FAO headquarters, Rome. Of the 107 member countries of the Committee for the biennium 2012-2013, 98 were present at the session. Six Member Nations of the Organization, the Holy See, two UN organizations, 14 international organizations and five non-governmental organizations participated as observers. The list of countries and organizations represented at the Session (CCP 12/INF/4) is available at <http://www.fao.org/bodies/ccp/ccp69/en/>.
2. The Bureau composed of Ms Gothami Indikadahena (Sri Lanka), Chairperson; Mr Elias Guía López (Spain), First Vice-Chairperson; and Mr Gustavo Infante (Argentina), Second Vice-Chairperson continued their term until the election of the new Bureau at the end of the Session.
3. The 69th Session was assisted by a Drafting Committee composed of Armenia (Chair), Canada, China, Democratic Republic of the Congo, Denmark, Dominican Republic, Ghana, Indonesia, Iran (Islamic Republic of), Mexico, New Zealand, Portugal and the Russian Federation.
4. It was agreed that the Chairperson would give a summary at the end of each item for endorsement by the Committee.
5. The Committee noted the Statement of Competence and Voting Rights submitted by the European Union and its Member States, and adopted the Agenda (reproduced in *Appendix A*) and Timetable for the Session.

II. Statement by the Director-General

6. The Director-General made an opening statement. He expressed his full support to the efforts to improve the functioning of the CCP and to strengthen its position at the centre of global debate on agricultural commodity markets, trade and related policy matters. The opening statement (CCP 12/INF/3) is available at <http://www.fao.org/bodies/ccp/ccp69/en/>.

III. State of World Agricultural Commodity Markets

A. Market review: situation and outlook

7. The Committee reviewed the state of world agricultural commodity markets (CCP 12/3), including recent developments in exports, imports and international prices. The Committee took into consideration the short-term outlook analysis that points to possible further surges in some commodity prices.
8. The Committee confirmed the importance of FAO's commodity market information and analysis in promoting market transparency, and in supporting policy formulation.
9. The Committee drew attention to the growing importance of linkages between agricultural, financial and energy markets and recommended that they should be taken into account in the Secretariat's analysis.
10. The Committee also recognized the importance of improved market access for commodities from developing countries as a way to enhance their food security and income generating objectives.

B. Medium-term Agricultural Outlook: trends and emerging issues

11. The Committee considered the Secretariat's document on *Medium-term outlook for agricultural commodity markets: trends and emerging issues* (CCP 12/INF/6) and assessed market prospects over the next ten years for production, utilization, trade and prices of the major food

commodities. The Committee also discussed the new drivers and major issues facing those markets over the medium term.

12. The Committee welcomed the collaboration with the OECD and member countries on which the outlook work was based.

IV. Policy Developments

A. Progress report on G20 initiatives, including the Agricultural Market Information System (AMIS)

13. The Committee:

- a) Noted the collaboration between FAO and the other international institutions for the preparation of the price volatility report for the G20 in 2011.
- b) Recognized the significant contribution made by FAO in preparing the Inter-Agency Report on price volatility, and also FAO's subsequent leadership in AMIS activities.
- c) Noted that the Secretariat documents CCP 12/2¹ and CCP 12/3² need to be revised and updated to take account of recent developments.
- d) Took note of progress made with regard to the implementation of AMIS and of its high relevance to the activities of the CCP and the IGGs.

B. Developments in the Doha Round agricultural negotiations and Regional Trade Agreements (RTAs)

14. The Committee considered the current state of the multilateral trade negotiations in agriculture in the WTO on the basis of the document CCP 12/4 and concurred that the document provided a good summary of the current state and issues. Additional insights were provided by Members on the issues addressed from the standpoint of their countries.

15. The Committee recognized that it attaches high importance to a Doha Round agreement for its potential contribution to creating an enabling environment for agricultural development and food security, as well as, in the present context, to responding to high and volatile food prices.

16. The Committee took note of the Trade and Markets Division's trade-related work and activities and recommended strengthening its capacity in the following areas:

- a) review and analysis of trade policy;
- b) studies on implications for food security;
- c) trade-related capacity building; and
- d) assisting the developing countries in negotiating and implementing their trade agreements and preparedness for any eventual agreement in the Doha Round and recognized that FAO would need to play a more expanded role in the Doha Round.

17. The Committee recognized FAO's strong collaboration with other international organizations, including WTO, in delivering technical assistance programmes and conducting studies on markets and trade policy issues and implications for food security.

18. The Committee took note of the Secretariat's other trade-related work programme, notably assisting Members in mainstreaming trade policy in development.

¹ *Inter-agency food and agricultural price volatility report for the G20*

² *The Agricultural Market Information System*

C. Experiences with domestic food prices and food policy responses during 2007-2011

19. The Committee:
- a) Agreed that the document CCP 12/5 provided a balanced account of the impact of food price surges on developing countries and the policy responses aimed at containing the price rises and addressing longer-term food issues at national and at international levels.
 - b) Recognized that increased policy coordination among countries and enhanced market transparency could contribute to stabilizing markets both domestically and globally.
 - c) Underlined the importance of urgent and successful conclusion of the Doha Round of trade negotiations in accordance with the WTO ministerial mandate.
 - d) Recommended that FAO keep a close watch on food commodity price movements and policy responses, and conduct in-depth analyses and country case studies as required.
 - e) Requested FAO to continue and strengthen its assistance to member countries in both policy and programmatic actions to effectively mitigate the negative effects of high and excessively volatile food prices on vulnerable populations.

D. Policy interventions in support of smallholder participation in markets

20. The Committee considered document CCP 12/6 - *Identifying appropriate policy interventions in support of smallholder participation in markets*, and:
- a) Provided advice as regards direction for future work and support to Members in the area of policy interventions and support to smallholder participation in markets, including allocation of appropriate resources to improve the understanding of the ways in which smallholders' participation in local markets is being constrained and how participation can be facilitated.
 - b) Offered guidance to the Secretariat in identifying opportunities for supporting work in relation to improving the evidence base on the determinants of smallholder producers' participation in agricultural markets and on the development of best practice guidance on policy approaches to facilitating greater levels of participation.
 - c) Provided guidance to the Secretariat in the identification and delivery of activities, including cooperation with national and regional organizations, aimed at sensitizing key stakeholders on the merits of alternative policy approaches and developing their capacity to identify, formulate and implement appropriate policies, including provision of market infrastructure.
21. In relation to document CCP 12/7 - *Enhancing the impact of IGG commodity development activities on smallholder value chain integration*, the Committee:
- a) Noted the apparent impact of the commodity development work undertaken under the auspices of the IGGs on the commodity sectors of many LIFDCs and LDCs.
 - b) Underscored the importance of analysis and research in this area to improve the understanding of patterns of smallholder market participation and their determinants, taking into consideration the heterogeneous nature of smallholders and the challenge of identifying the policy interventions.
 - c) Suggested that the IGGs should aim to improve their effectiveness in promoting the formulation, approval, financing and implementation of commodity development projects which have as their main focus the strengthening of smallholder integration into markets and commodity value chains, with particular attention to women.
 - d) Requested that when reporting on their activities the IGG should review the extent to which development projects undertaken have strengthened smallholder integration into commodity markets.

V. International action on agricultural commodities

22. The Committee noted the reports of the various intergovernmental commodity groups (IGGs) contained in the documents *Report of the Fifth Session of the Intergovernmental Group on Bananas and Tropical Fruits* (CCP 12/10), *Report of the Joint Meeting of the Thirty-sixth Session of the Intergovernmental Group on Hard Fibres and the Thirty-eighth Session of the Intergovernmental Group on Jute, Kenaf and Allied Fibres and the Seventeenth Session of the Sub-Group of Sisal Producing Countries* (CCP 12/11), *Report of the Twentieth Session of the Intergovernmental Group on Tea* (CCP 12/12) and *Report of the Extraordinary Joint Intersessional Meeting of the Intergovernmental Group on Grains and the Intergovernmental Group on Rice* (CCP 12/13), which had met since its last session. The Committee also took note of the information presented in the *Report on product and market development activities including those in collaboration with the Common Fund for Commodities* (CCP 12/INF/9).

A. Reform of the CCP and the Intergovernmental Commodity Groups – Report of the Open-Ended Working Group on CCP reform

23. The Committee reviewed the conclusions and recommendations contained in the *Report of the Open-Ended Working Group on the CCP Reform* (CCP 12/9) and commended the work of the Group. The Committee:

- a) Confirmed that the terms of the reference of the CCP are appropriate and remain valid.
- b) Underlined the importance of the CCP to maintain the current balance between the market review and outlook work and the policy work.
- c) Recognized the usefulness of consultation with the Regional Groups in preparing the provisional agenda.
- d) Welcomed the additional time available to this session of CCP and endorsed the recommendation to maintain this duration for future sessions and while noting that the richness and importance of CCP agenda might justify additional time in the future.
- e) Recognized the importance of timely circulation of documents to allow adequate time for consultation by Members.
- f) Agreed to the recommendation to maintain the current practice of designating a drafting committee to draft the report of the meeting.

24. The Committee decided on the following proposals:

- a) Enlargement of the CCP Bureau: Agreed on the recommendation to enlarge the CCP Bureau from three to seven Members, with one representative from each Regional Group.
- b) Rules of Procedure: Agreed to the proposed amendments to the *Rules of Procedure of the Committee* (Annex I of document CCP 12/9) reflecting the decision made under a) above and approved these amendments by consensus.
- c) Establishing a steering committee: It was agreed that a steering committee would not be established but the enlarged Bureau will be entrusted to undertake the functions under new terms of reference to be framed with a view to improving the continuity of activities and raising the profile of the Committee.
- d) Changing the name of the Committee: There was no clear consensus on the need to change the name or on which alternative name might be preferable. It was decided to keep this under review.
- e) Participation of intergovernmental organizations, civil society and the private sector: Underlined the importance of involving intergovernmental organizations, civil society and the private sector in the work of the Committee.
- f) Review of the CCP subsidiary bodies: Instructed the intergovernmental groups (IGGs) to undertake self-evaluation of their roles and activities and to report to the CCP on this at the next Session.

25. The Committee welcomed the analysis presented by the Secretariat in its document *Way Forward for the CCP Sub-Committees: Secretariat Recommendations* (CCP 12/INF/11). The Committee recognized that the IGGs and the international commodity bodies are key components of the international commodity economy whose activities aim to enhance the transparency and efficiency of international commodity markets, support product and market development and promote effective and coordinated policy. The Committee also reiterated that the basic purpose of all IGGs today is to provide a forum of consultation on economic aspects of the production, consumption, marketing and trade for the commodity concerned and for review of related policies. The Committee also stressed that the work programmes of the IGGs should give priority to economic trade and policy issues, poverty alleviation, productivity enhancement, sustainability and food security in line with FAO key strategic objectives.

26. The Committee noted the information conveyed by the current Chair Country of the IGG on Tea on the resolution adopted by ten tea-producing countries in Colombo, Sri Lanka in February 2012 to establish an International Tea Producers Forum.

27. The Committee reviewed the recommendations presented by the Secretariat and concurred *inter alia* with the following:

- a) IGG meetings should normally be held outside FAO headquarters and with host government support to contain organizational costs.
- b) Wherever possible joint meetings of IGGs should be held. It is recommended that meetings on hides and skins should be subsumed by the IGG on Meat, and that the possibility of combining the IGGs on Citrus, Bananas and Tropical Fruits into one IGG on Fruits should be explored.
- c) New formats, including multi-stakeholder forums, should be explored to promote wider participation.
- d) The current practice whereby IGGs meet as needed or requested should be continued, while alternative modalities must be found for them to dispense their essential functions between sessions.
- e) The future of each IGG should form an agenda item for its next meeting or in the absence of a meeting an electronic survey to canvas opinions should be conducted.
- f) A formal review of the CSSD should be undertaken to determine what role it could play in the context of WTO commitments.

B. Work priorities under the terms of reference of the Committee on Commodity Problems

28. The Committee welcomed the Strategic Thinking Process launched by the Director-General to determine the future strategic direction of the Organization, and to inform revision of the Strategic Framework 2010-2019, and preparation of the Medium Term Plan 2014-17.

29. The Committee agreed on the relevance of the global trends and the seven main challenges³ identified as the first output of the Process, and noted the relevance of all the challenges to the priority areas within the purview of the CCP. The Committee also noted that the challenges were global and did not necessarily represent areas of focus for the work of FAO alone. In order to develop the future strategic objectives of the Organization, there was need for analysis with respect to each challenge of FAO's basic attributes, core functions and comparative advantages. There was also need for a clear line of sight between FAO's strategic objectives and work on the ground, in order to translate FAO's normative and standard-setting work into country-level impact. Furthermore, it was noted that the priority of CCP should be linked with the strategic objectives of the Organization and meaningful partnerships should be developed to achieve the future strategic objectives.

³ CCP 12/INF/12 and CCP 12/INF/12 Web Annex

30. The Committee recognized the importance and need for more timely and reliable information on commodity markets situation and outlook, improved food security and vulnerability information, and for analytical studies on commodity and trade policies, as a measure to enhance market transparency and reduce price volatility.

31. The Committee discussed its work priorities under the area of its remit with the aid of document *Key issues and work priorities in international commodity markets* (CCP 12/8) and provided guidance to the Secretariat on potential priorities of the work areas described in the document. The Committee considered all of the topics indicated by the Secretariat to be important but noted that prioritization was necessary in the light of resource constraints and FAO's comparative advantage.

32. The Committee highlighted the following priority technical areas under its mandate to be incorporated into the main challenges in formulating the new Strategic Objectives and related action plans and programmes for the future work of the Organization:

- a) Commodity market information, monitoring and outlook
- b) Food security information and early warning
- c) Policies and strategies to support smallholder integration into markets and value chains
- d) Trade and food security
- e) Climate change and trade
- f) Policy analysis and emerging issues

C. Multi-Year Programme of Work (MYPOW) for 2012-16 of the Committee on Commodity Problems

33. The Committee reviewed, amended and approved the *Multi-Year Programme of Work (MYPOW) for 2012-16* (CCP 12/INF/10). The amended version is attached to this report in *Appendix B*.

VI. Any other matter

34. A special event on "FAO - Cooperatives Meeting: Working Together for the 2012 International Year of Cooperatives" was held on Tuesday, 29 May 2012 in the framework of the 69th Session of the Committee on Commodity Problems and included the participation of Ms Laura Chinchilla Miranda, President of the Republic of Costa Rica, and Mr José Graziano da Silva, FAO Director-General. The event also saw the participation of several ministers and other stakeholders. During this special event, two new Special Ambassadors for Cooperatives were nominated. They were Ms Elisabeth Atangana, President of the Pan-African Farmers Forum, and Mr Roberto Rodriguez, President of the Superior Council of Agribusiness of the Federation of Industries of São Paulo.

35. The Committee recognized the contribution of Mr David Hallam to the work of the CCP and thanked him for his services as Secretary for the last ten years. The new CCP Secretary, Mr Boubaker Ben Belhassen, was introduced to the Committee.

A. Election of the new Bureau Members of the CCP

36. The Committee elected Mr Eric Robinson (Canada) as Chairperson and the Representatives of Australia, Chile, Iran (Islamic Republic of), Philippines, Portugal and Zimbabwe as six Vice-Chairpersons.

B. Arrangements for the Seventieth Session

37. The Committee was informed that the 70th Session will take place in the first half of 2014, depending on the meeting calendar of other Governing Bodies. The exact date will be communicated in due course.

Appendix A - Agenda for the 69th Session of the CCP

- 1) Organizational matters
 - a) Adoption of the Agenda and Timetable
 - b) Designation of the Drafting Committee
- 2) Statement by the Director-General
- 3) State of World Agricultural Commodity Markets
 - a) Market review: situation and outlook
 - b) Medium-term agricultural outlook: trends and emerging issues
- 4) Policy developments
 - a) Progress report on G20 initiatives, including the Agricultural Market Information System (AMIS)
 - b) Developments in the Doha Round agricultural negotiations and Regional Trade Agreements (RTAs)
 - c) Experiences with domestic food prices and food policy during 2007–2011
 - d) Policy interventions in support of smallholder participation in markets
- 5) International action on agricultural commodities
 - a) Reform of the CCP and the Intergovernmental Commodity Groups – Report of the Open-Ended Working Group on CCP reform
 - b) Work priorities under the terms of reference of the Committee on Commodity Problems
- 6) Any other matter
 - a) Election of the new Bureau Members of the CCP
 - b) Arrangements for the Seventieth Session
- 7) Adoption of the report

**Appendix B -
Rules of Procedure of the Committee
Proposed Amendments**

**H. RULES OF PROCEDURE OF THE COMMITTEE ON COMMODITY
PROBLEMS**

Rule I

Officers

1. At the first session in each biennium, the Committee shall elect a Chairperson and six Vice-Chairpersons, a first Vice-Chairperson and a second Vice-Chairperson from among the representatives of its Members, who collectively shall constitute the Bureau of the Committee. The Bureau shall, between sessions, represent the membership of the Committee, perform functions related to the preparation of sessions of the Committee, and perform such other functions as may be delegated to it by the Committee. ~~shall remain in office until the election of a new Chairperson and new Vice-Chairpersons.~~

2. The Chairperson and the Vice-Chairpersons shall be elected for a period of two years and remain in office until the election of a new Chairperson and new Vice-Chairpersons at the end of the next session of the Committee. The Chairperson and six Vice-Chairpersons shall be elected from the following regions: one representative each from Africa, Asia, Europe, Latin America and the Caribbean, Near East, North America, and South West Pacific.

1-3. The Chairperson, or in their ~~his~~ absence, one of the Vice-Chairpersons, shall preside at meetings of the Committee and exercise such other functions as may be required to facilitate its work. In the event of the Chairperson and the Vice-Chairpersons not being able to preside at a meeting, the Committee shall appoint one of its Members to take the chair.

2-4. The Director-General of the Organization shall appoint a secretary, who shall perform such duties as the work of the Committee may require.

Rule II

Sessions

1. The Committee shall hold sessions as provided in Rule XXIX, paragraphs 4 and 5 of the General Rules of the Organization.

2. The Committee shall normally hold two sessions during each biennium, to be convened by the Director-General in consultation with the Chairperson of the Committee, taking into account any proposals made by the Committee.

3. Any number of separate meetings may be held during each session of the Committee.

4. The sessions of the Committee shall normally be held at the seat of the Organization. A session may be held at another place in pursuance of a decision taken by the Committee in consultation with the Director-General or a request submitted in writing to the Director-General by a majority of the Members of the Committee.

5. Notice of the date and place of each session shall normally be communicated at least two months in advance of the session to all Member Nations and Associate Members of the Organization, and to such non-member States and international organizations as may have been invited to attend the session.

6. Each Member of the Committee may appoint alternates and advisers to its representative on the Committee.

7. Presence of representatives of a majority of the Members of the Committee shall constitute a quorum for any formal action by the Committee.

Rule III

Attendance

1. Participation of international organizations in an observer capacity in the work of the Committee shall be governed by the relevant provisions of the Constitution and the General Rules of the organization,⁴ as well as by the general rules of the Organization on relations with international organizations.

2. Attendance by non-member States of the Organization at sessions of the Committee shall be governed by the principles relating to the granting of observer status to nations adopted by the Conference.

3.

- (a) Meetings of the Committee shall be held in public, unless the Committee decides to meet in private for discussion of any items on its agenda.
- (b) Subject to the provisions of subparagraph (c) below, any Member Nation not represented on the Committee, any Associate Member or any non-member nation invited to attend in an observer capacity a session of the Committee may submit memoranda and participate without vote in any discussion at a public or private meeting of the Committee.
- (c) In exceptional circumstances, the Committee may decide to restrict attendance at private meetings to the representative or observer of each Member Nation of the Organization.

Rule IV

Agenda and Documents

1. The Director-General, in consultation with the Chairperson of the Committee, shall prepare a provisional agenda and shall normally circulate it at least two months in advance of the session to all Member Nations and Associate Members of the Organization and to all international organizations invited to attend the session.

2. All Member Nations of the Organization and Associate Members acting within the limits of their status may request the Director-General normally not less than 30 days before the proposed date of the session to insert an item in the provisional agenda. The Director-General shall thereupon circulate the proposed item to all Members of the Committee, together with any necessary papers.

3. The first item on the provisional agenda shall be the adoption of the agenda. The Committee in session may by general consent amend the agenda by the deletion, addition or modification of any item, provided that no matter referred to it by the Council or on the request of the Conference may be omitted from the agenda.

⁴ It is understood that in this context the terms "Constitution" and "the General Rules of the Organization" are to be taken to include all general rules and policy statements formally adopted by the Conference and intended to supplement the Constitution and the Rules, such as the "Statement of principles relating to the granting of observer status to nations", and the general rules regarding relationships between the Organization and governmental and non-governmental organizations.

4. Documents not already circulated shall be dispatched with the provisional agenda, or as soon as possible thereafter.

Rule V

Voting

1. Each Member of the Committee shall have one vote.
2. The decisions of the Committee shall be ascertained by the Chairperson, who shall resort, upon the request of one or more Members, to a vote, in which case the pertinent provisions of Rule XII of the General Rules of the Organization shall apply *mutatis mutandis*.

Rule VI

Records and Reports

1. At each session, the Committee shall approve a report to the Council embodying its views, recommendations and decisions, including, when requested, a statement of minority views. Any recommendation adopted by the Committee which affects the programme or finances of the Organization or concerning legal or constitutional matters shall be reported to the Council with the comments of the appropriate subsidiary committees of the Council.
2. Reports of sessions shall be circulated to all Member Nations and Associate Members of the Organization and to non-member States invited to attend the session, as well as to interested international organizations entitled to be represented at the session.
3. The comments of the Committee on the report of any of its subsidiary bodies and, if one or more Members of the Committee so request, the views of those Members shall be incorporated into the Committee's report. If any Member so requests, this part of the Committee's report shall be circulated as soon as possible by the Director-General to the States or international organizations which normally receive the reports of the subsidiary body in question. The Committee may also request the Director-General, in transmitting the report and records of its proceedings to Members, to call particular attention to its views and comments on the report of any of its subsidiary bodies.
4. Whenever a private meeting of the Committee is held, the Committee shall, at the beginning of that meeting, decide whether a record of the meeting shall be kept and, if so, what circulation, not exceeding that provided for in paragraph 2 above, shall be given to it.
5. The Committee shall determine the procedures in regard to press communiqués concerning its activities.

Rule VII

Subsidiary Bodies

1. In accordance with the provisions of Rule XXIX, paragraph 10 of the General Rules of the Organization, the Committee may, when necessary, establish subcommittees, intergovernmental commodity groups and *ad hoc* subsidiary bodies, subject to the necessary funds being available in the relevant chapter of the approved budget of the Organization. It may include in the membership of such subcommittees and *ad hoc* subsidiary bodies, Member Nations that are not members of the Committee and Associate Members. Membership of intergovernmental commodity groups established by the

Committee shall be open to all Member Nations and Associate Members of the Organization and the Council may admit to membership of such groups States which, while not Member Nations or Associate Members of the Organization, are members of the United Nations, any of its specialized agencies or the International Atomic Energy Agency.

2. Before taking any decision involving expenditure in connection with the establishment of subsidiary bodies, the Committee shall have before it a report from the Director-General on the administrative and financial implications thereof.

3. The Committee shall determine the terms of reference of its subsidiary bodies who shall report to the Committee. The reports of the subsidiary bodies shall be made available for information to all members of the subsidiary bodies concerned, all Member Nations and Associate Members of the Organization, non-member States invited to the sessions of the subsidiary bodies, and to interested international organizations entitled to attend such sessions.

Rule VIII

Suspension of Rules

The Committee may decide to suspend any of the foregoing Rules of Procedure, provided that 24 hours' notice of the proposal for the suspension has been given and that the action contemplated is consistent with the Constitution and the General Rules of the Organization.⁵

Such notice may be waived if no Member objects.

Rule IX

Amendment of Rules

The Committee may, by a two-thirds majority of the votes cast, amend its Rules of Procedure, provided that such amendment is consistent with the Constitution and the General Rules of the Organization. No proposal for the amendment of these Rules shall be included in the agenda of any session of the Committee unless notice thereof has been dispatched by the Director-General to Members of the Committee at least 30 days before the opening of the session.

² See footnote to Rule III, paragraph 1.

**Appendix C -
Multi-year Programme of Work (MYPOW) 2012-16 of the
Committee on Commodity Problems
(Amended version)**

I. Overall Objectives for the Committee on Commodity Problems for 2012–2016

1. The Committee on Commodity Problems (CCP) conducts periodic reviews of commodity problems of an international character and prepares factual and interpretative surveys of the world commodity situation, with a view to guiding concerted action by Member Nations and the Organization. It advises the Council on the overall work programme of the Organization relating to agricultural commodity markets, agricultural and trade policy and emerging issues related to agricultural markets and trade. The Committee provides evidence-based advice and action-oriented recommendations to the Conference on global policy and regulatory matters, in its areas of mandate.

II. Results for 2012-2016

A. Strategy, priority setting and budget planning

2. Result: The Organization has a clear strategy, well-defined priorities and developed programmes on issues of relevance to the mandate and terms of reference of Committee.
3. Indicators and targets:
- Summary presentation of developments in the areas of mandate is part of the regular sessions of CCP.
 - Committee's recommendations made on pertinent aspects of the Strategic Framework, the Medium Term Plan (MTP) and the Programme of Work and Budget (PWB) are reflected in the Council reports.
4. Output: Clear, precise and consensual recommendations on strategy, priorities, programmes and budget for the Organization are considered by Council, providing a solid basis for its guidance and decision-making.

5. Activities:

- Review the current situation in its areas of mandate, including issues of topical significance to the international community.
- Review implementation of the PWB in areas falling within the Committee's competence.
- Formulate clear, consensual, timely, well-developed and actionable recommendations on strategy, priorities, programmes and budget in areas falling within the Committee's competence.
- Organize side events, as appropriate, in the areas of the Committee's mandate.

B. Advice on global policy and regulatory matters

6. Result: Based on the Committee's recommendations, FAO, through Conference, and taking into consideration regional priorities and specificities, gives clear, relevant and useful advice on major policy and regulatory issues confronting the world, regions and individual Member Nations, within the areas of its competence.

7. Indicators and targets:

- Members obtain value from the deliberations of the CCP, using the resulting advice and recommendations to guide domestic actions and policies.
- Clear and action-oriented recommendations on global policy and regulatory matters are reflected in the Committee's reports.

- Clear and specific recommendations made in a timely manner by CCP to the Conference regarding global policy and regulatory matters in areas of mandate.

8. Output: Clear and consensual recommendations for Conference on policy and regulatory frameworks, mechanisms and instruments.

9. Activities:

- Report to Conference on global policy and regulatory issues arising out of the Committee's deliberations.
- Review the status of relevant international agreements and instruments in areas of competence of the Committee.
- Address new and emerging issues and recommend possible policy and action options for Members, FAO and other relevant stakeholders.

III. Effective work planning of CCP

10. Result: CCP works effectively and efficiently, in an action-oriented, inclusive way.

11. Indicators and targets:

- CCP agendas are prepared in close consultation with the Regional Groups, and are focused.
- CCP reports are concise and contain specific, action-oriented recommendations, and are made available to Members, Council and Conference in a timely manner.
- CCP documents are made available in all FAO languages four weeks before commencement of the session.
- Continuity in terms of inter-sessional activities and work of the Committee.

12. Outputs:

- Multi-Year Programme of Work for CCP adopted in 2012.
- Progress report on CCP's MYPOW in 2014.

13. Activities:

- Pay continued attention to effective arrangements for the formulation of agendas and drafting of the final report.
- Consider ways to improve the conduct of sessions, including more efficient use of the time available.
- Work out clear modalities for the election and operation of the Bureau Members with a view to enhancing continuity between sessions.
- Focus side events on key and emerging issues.
- Facilitate coordination with other FAO technical committees, as appropriate.

IV. Working methods

14. The work of the Committee is based on regular review and analysis of global trends in commodity markets, trade policy and related issues within the areas of its competence. It operates based on the following working methods:

- Regular contacts and consultation with the CCP Secretariat based in the Trade and Markets Division (EST).
- Perform functions and responsibilities as may be entrusted to it by the Committee.
- Collaboration with FAO Governing Bodies and relevant statutory bodies under FAO auspices.

- Liaison with the Programme Committee on strategy and priority matters and with the Finance Committee on financial and budgetary matters.
- Interaction with other international organizations active in areas of relevance to the Committee.
- Regular inter-sessional activities, as appropriate, facilitated by the Chairperson and the Bureau and with proactive support from the Secretariat.
- Promotion and facilitation of the participation of farmers and civil society organizations and the private sector, within the rules and regulations of the Organization.