

Rome, Roma, 1999



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

# CONFERENCE CONFÉRENCE CONFERENCIA

Thirtieth Session • Trentième session • 30º período de sesiones

Rome, 12-23 November 1999  
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 OF THE CONFERENCE**

Rome, 12-23 novembre 1999  
**PROCÈS-VERBAUX DES SÉANCES DE LA COMMISSION II  
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Roma, 12-23 de noviembre de 1999  
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**(22 November 1999)**

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# CONFERENCE CONFÉRENCE CONFERENCIA

## Thirtieth Session Trentième session 30º período de sesiones

Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999

## FIRST MEETING OF COMMISSION II PREMIÈRE SÉANCE DE LA COMMISSION II PRIMERA SESIÓN DE LA COMISIÓN II

15 November 1999

The First Meeting was opened at 10.15 hours

Mr Bhaskar Barua,

Chairman of Commission II, presiding

La première séance est ouverte à 10 h 15  
sous la présidence de M. Bhaskar Barua,  
Président de la Commission II

Se abre la primera sesión a las 10.15 horas  
bajo la presidencia del Sr. Bhaskar Barua,  
Presidente de la Comisión II

## CHAIRMAN

It is my pleasure to welcome all of you to the first meeting of Commission II of the Thirtieth Session of this Conference. I would like to refer, at this stage, to the terrible tragedy which has befallen our colleagues in the World Food Programme in the air crash near Pristina on Friday.

Let me also place on record the deep sense of honour I feel having the privilege of Chairing the proceedings of such an august body. I am sure your cooperation and goodwill will help me in discharging effectively my duties. I am happy to inform you that I shall have the assistance of two very capable Vice-Chairpersons, Ms Anneli Vuorinen and Mr Bill Doering. Ms Vuorinen, who is at present Director of UN Development Issues in the Foreign Ministry of Finland, carries with her extensive knowledge and experience of UN Agencies. Mr Doering is, again, a seasoned administrator and presently the Executive Director of Programme and Multilateral Affairs in the International Marketing Bureau of Canada.

The Agenda for the meeting, as we all know, is truly challenging, in the sense that several major issues need to be discussed and finalized in barely five days. I would welcome your valuable contributions, but in view of the constraints of time I would recommend the virtue of brevity. I would request you to keep your interventions to the point, short, focused and to not exceed five minutes.

Today we will deal with the Programme Implementation Report and the Programme Evaluation Report. Tomorrow the topic schedule is Programme of Work and Budget, which is expected to continue until Wednesday afternoon. The afternoon of Wednesday is set aside for discussion on the Strategic Framework. Perhaps, if we could move a little faster, we could even start the discussions on the Strategic Framework, which I am sure you realize the importance of, earlier than scheduled. Time management is in our hands and I look forward to your cooperation in this regard.

We stand at the threshold of a new millennium, of an era of challenges, but also of tremendous opportunities. This Commission is charged with the responsibility of examining and making recommendations on a document that will determine the framework with which FAO will function in the next 15 years and also in approving the budget of the coming biennium. I once again, therefore, request that the proceedings of the Commission be imbued with a sense of purpose, of cooperation, of understanding, and if necessary, compromise, so that the recommendations we place before the Conference are positive and constructive.

With your permission, now I shall turn to the first substantive item of business, the Programme Implementation Report of 1996-97 in documents C 99/8 and C 99/LIM/4.

## **Humberto MOLINA REYES (Chile)**

Permítame antes que nada saludarle y desecharle éxitos en las importantes discusiones que va a emprender esta Comisión. Creemos que los temas que aquí se analizan tendrán un gran impacto en el futuro de la Organización.

Quisiera referirme a uno de los temas de nuestra Agenda de trabajo que usted ha mencionado y que ha solicitado la comprensión y el mejor entendimiento entre todos los miembros aquí presentes para poder avanzar. Usted pidió esa actitud específicamente con respecto al Marco Estratégico 2000-2015 para que pudiéramos aprobar este documento que ciertamente tendrá un gran impacto en nuestras labores.

Quisiera expresarle a nombre tanto de la delegación de Chile como del Grupo Regional de América Latina y el Caribe que nosotros tenemos la mejor flexibilidad y actitud para concurrir a la aprobación de este documento y que estamos ciertos que lo lograremos durante la labor de esta Comisión.

Asimismo creemos que es importante facilitar el análisis de este documento para tratar de aprovechar nuestro tiempo de la manera más eficiente posible. Como usted bien señaló, este tema será discutido el día miércoles en la tarde. Quisiéramos proponer la creación de algún mecanismo, no importa como se llame, amigos de la presidencia, representantes regionales, un pequeño Grupo de Coordinación, como usted quiera llamarle, que abordara el análisis del procedimiento de cómo vamos a discutir el Marco Estratégico el miércoles por la tarde, de modo tal que, cuando llegue el momento de iniciar esa discusión estemos preparados de la mejor forma posible y hayamos creado un clima participativo, de mutua cooperación y de comprensión.

Por nuestra parte el espíritu de América Latina siempre ha sido el de hacer aportes constructivos al documento. Quiero repetir que nuestra intención siempre ha sido de aprobar este documento, y para ello estamos por cierto dispuestos a identificar las cuestiones esenciales que facilitarán tanto las observaciones de América Latina como la aprobación final de este documento.

Por lo tanto, quisiera subrayar esta propuesta, que espero que mis colegas aquí presentes puedan concurrir a su aceptación, para que un representante de cada Región se pueda reunir, conversar e intercambiar opiniones sobre esta forma de analizar el Marco Estratégico. Estoy seguro que lograremos la mejor comprensión sobre este documento.

**Ms Ulla-Maija FINSKAS (Finland)**

May I also start with congratulating you upon taking up the task of Chairman of Commission II and I wish you strength and wisdom. I have doubt that that is forthcoming in the country where you come from.

I just wanted to pick up on what the honourable Representative of Chile said about this problem that might be in hand, which is the question of lack of time at the Conference to deal with matters that are of utmost importance for this Organization, of which the adoption of the Strategic Framework is of course the major one. In order to avoid problems in this set up and, in order not to take the time of our colleagues on preparatory matters, I would like to support the suggestion that came forward from Chile on establishing a group, Friends of the Chair, who would like to go into these procedural questions of how do we deal with the matters that the Strategic Framework poses for us. I would also like to suggest that two or three people from each Region be in that group.

**Adnan BASHIR KHAN (Pakistan)**

It really gives us great pleasure to see you in the Chair, congratulations on that.

I would also like to support the proposal emanating from Chile and seconded by Finland. We also feel that there is not enough time in the main Commission II to do full justice to the subject, and maybe it is better to have Friends of the Chair to help tide over some of the problems associated with it.

**Alhaji Mai M. JIR (Nigeria)**

Let me join the previous speakers to congratulate for being elected to the Chair. We also wish to go along with the proposal by the honourable delegate of Chile and supported by the two previous speakers, that a Contact Group be set up so that the document be examined properly before its final adoption.

**Moussa Bocar LY (Sénégal)**

Nous sommes heureux de vous trouver à la tête de cette importante Commission, surtout compte tenu des enjeux qui nous attendent et nous vous apportons nos félicitations et notre coopération.

Comme l'a dit le Représentant du Nigéria, nous sommes d'accord avec la proposition très sage du Chili et nous espérons que cela permettra de parvenir à l'adoption rapide de ce Cadre stratégique qui guidera les activités de l'Organisation pour les quinze prochaines années. Cependant, je

souhaiterais vous interroger sur la manière dont vous comptez, étant donné le manque de temps, traiter, en même temps le problème du budget qui est également important. Je ne sais pas comment vous comptez concilier l'examen de ces deux points si nous créons un Groupe de contact, compte tenu du fait que certaines délégations ne sont pas importantes, surtout celles africaines.

**Lothar CAVIEZEL (Suisse)**

La Suisse aussi vous félicite pour la nomination à votre poste. La Suisse, par ailleurs, soutient la proposition qui a été faite d'établir un Groupe de contact et en particulier les propositions qui ont été faites par l'Union européenne.

**Ms Ulla-Maija FINSKAS (Finland)**

Just to make sure, excuse me for taking the floor again, but it is a question of a few Members from each Region, not an open-ended working group.

**CHAIRMAN**

We are happy that we have this spontaneous output of support from the floor on how to go about these difficult matters in a very constructive way. As clarified by the honourable delegate from Finland, in the original groupings a delegate from each country need not necessarily be there. I hope that clarifies the situation.

I therefore propose that we have a group called Friends of the Chair, composed of two representatives from each of the seven regional groupings. I understand the Secretariat will be quite happy to provide a facilitator. This group would meet at the same time as the Commission work is going on here. We will discuss a mutually agreeable timetable and decide when the group will report to the Chair, that is by what time the advice of the group will be available to the Chair. Is that all right?

**Humberto MOLINA REYES (Chile)**

Compartimos ciertamente las conclusiones que usted ha sacado; quisiéramos también poder complementar esas sugerencias y en virtud de lo limitado del tiempo sería muy oportuno que cada grupo regional pudiera nombrar un representante que podría recibir el nombre de .. Coordinador, o como quiera llamarlo, para que inmediatamente después del almuerzo de hoy nos pudiéramos juntar donde usted disponga e iniciar nuestros trabajos de modo de acelerar lo más posible el análisis de la materia que tenemos por delante.

**CHAIRMAN**

Each regional group could have a coordinator and there could be, apart from the coordinator, another representative on the working group. I understand interpretation facilities would be available this evening. The group could start working soon after lunch, if they wish, or as soon as the main Commission work is over this evening. I would request that each group decide on his coordinator by lunch time and let us know.

**Asmani ALBANO (Tanzania, United Republic of)**

I wish also to tender my congratulations to you and the Members of your Bureau.

The G 77 will endeavour to nominate its representative from its four regions after the Group's meeting, which is scheduled at 2 o'clock this afternoon in the Malaysia Room. This is to confirm that we will indicate our representative to the Friends of the Chair after that meeting which is at 2 o'clock in the Malaysia Room.

**CHAIRMAN**

We look forward to having the names by 2.30 p.m.

**PART II - PROGRAMME AND BUDGETARY MATTERS**  
**DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET**  
**PARTE II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO**

**12. Programme Implementation Report 1996-97 (C 99/8; C 99/8-Corr.1; C 99/LIM/4)**  
**12. Rapport sur l'exécution du Programme 1996-97 (C 99/8; C 99/8-Corr.1; C 99/LIM/4)**  
**12. Informe sobre la Ejecución del Programa, 1996-97 (C 99/8; C 99/8-Corr.1; C 99/LIM/4)**

**Tony WADE (Director, Office of Programme Budget and Evaluation)**

Today your Commission will be considering two quite different accountability reports, the Programme Implementation Report this morning and, this afternoon, the Programme Evaluation Report.

It is perhaps useful to make the distinction between these two reports which serve rather different purposes, even though this might not be clear to Members, in particular those Members who are not very familiar with our work.

The first document, the Programme Implementation Report, which you are considering this morning, is comprehensive, that is, it covers all of the programmes of the Organization. It tends to be quantitative, in that it deals with resource utilization and the measurement of outputs produced, and it addresses a very specific time scale, that is the previous biennium.

The second document which you will be seeing this afternoon is somewhat different. First of all, it is selective. It only covers a few programmes. In the case of this afternoon's document, it covers three programmes and two thematic subjects. It is qualitative in its analysis, rather than quantitative, and it tends to examine a much longer period. We look at programmes over a period of three to four biennia.

As Members will see from the space allocated to a programme in the Programme Evaluation Report, it would not be possible for the Programme Implementation Report to take an in-depth analytical approach. In fact, to do so would mean that this document would have to be ten times longer. In fact, the desire of most Members is to move in the opposite direction, that is, to try and reduce the size of these documents.

For this reason, and also to make the text a lot more readable, the listings of individual outputs have been removed from the document but, are instead, provided on FAO's Internet Website. The document concentrates on providing you with a text, which describes the major achievements, or non-achievements, of the institution over the last biennium. Whereas on our Website -- and you will find the reference in paragraph 22 -- we have a selectable database, which contains all of the outputs which were proposed in the Programme of Work and Budget, 1996-1997, and advises you which Division was responsible for them and what their current status is, whether they were produced or whether, for some reason or other, they had to be postponed or cancelled.

We believe this is an important contribution to the accountability of the Secretariat to the Membership.

Finally, I would like to update the Conference on one point, which was raised in the Council's Report C 99/LIM/4, under paragraph 51. This is the question of support costs, when the Council addressed the gap between the actual cost of supporting field programmes and the amount of funds reimbursed from the various funding sources. In doing so, the Council noted that the matter was under review by the Finance Committee and, in fact, since the Council discussed the issue in November 1998, the Secretariat has presented a Progress Report to the Finance Committee at its Ninety-third Session. That report establishes a conceptual framework for the issue of support costs, including definitions of terms and the methodologies to be used in identifying costs.

It also demonstrated that recent trends show that the cost of supporting field programmes have been significantly reduced. Indirect support costs have declined in absolute terms from US\$ 36.7

million in 1996 to US\$ 29.6 million in 1998. That is a close to 20 percent reduction in the costs of supporting field programmes.

Similarly, if you express it in terms of a percent on delivery, it fell from 14.5 percent to 10.5 percent. Now, that is not to say that the regular programme does not contribute to administrative and operational support costs. It continues to do so, however in declining amounts and the Secretariat is committed to pursuing further reductions in these costs.

In the case of technical support services, the other area in which we provide support to field programmes, the report notes that these are appropriate activities to be funded from the regular programme, given the provisions of Article I 3(a) of the Constitution, which says that we should furnish technical assistance.

However, the Finance Committee paper also reported the results of an examination of normative projects which demonstrated that the net contribution, in direct support to our Regular Programme, that is from Trust Fund projects supporting normative work, was estimated to be about US\$ 20 million in 1998. Incidentally, that is roughly equal to the cost of the technical support services we provide. So, you can see that there is a net inflow/outflow of zero in this particular area.

In conclusion, on this point, we will be reporting further to the Finance Committee through the year 2000. I am here, as are my colleagues, to answer any questions or to clarify any issues you may wish.

### **CHAIRMAN**

I think that is a very good introduction, brief and succinct, but to the point.

The United States of America has the floor.

### **E. Wayne DENNEY (United States of America)**

The United States joins others in welcoming you before this Commission, and we are confident that things will progress rapidly under your leadership.

Regarding the Programme Implementation Report, the document under review is substantially improved from the one prepared for the previous biennium. We congratulate the Secretariat for doing a commendable job of accommodating the many changes that were requested for this report by the last FAO Conference.

These sentiments were also expressed by the Programme and Finance Committees in the November 1998 Council. The format is very readable and interesting. The major events highlighted at the beginning are an excellent feature. The use of additional charts, graphs and tables reflecting outputs and other quantitative measures is useful. We also appreciate having some of the data put on FAO's Website.

Although our overall reaction is positive, we do have a few concerns. The document expresses regret that extra-budgetary resources have sharply declined from 1992-93 to 1996-97. We share this view, but for a somewhat different reason. Since we place a much higher value on normative activities, our main concern is when a decrease in extra-budgetary funding adversely impacts on delivery of the Regular Programme. We would agree with the Programme Committee's conclusion that FAO should "reverse this trend by attracting additional extra-budgetary resources from a broad range of sources".

We are pleased to see that the Regional and Sub-regional Offices are playing a more active role in delivering FAO programmes, but we still question whether nearly 10 percent of the FAO budget should be allocated to FAORs. To aid in our future assessments, could the Secretariat kindly furnish Council Members with a list of grade levels associated with each country office.

Table 2.4 shows the extent to which the Regular Programme is supplemented by extra-budgetary resources. In some areas, for example, crops, forestry and agricultural production in support systems, the extra-budgetary component is much larger than the regular component. While this clearly reflects what Member Governments have chosen to do, we are not convinced that this is a healthy development to have this kind of imbalance.

We remain concerned that the Regular Programme does not sufficiently recover the support costs of servicing field projects, as described in paragraphs 34 to 36, but we are pleased to have just heard from Mr. Wade that this subsidy is being reduced and we hope that this trend will continue.

The section of Project Evaluations notes substantial improvements in FAO's ability to design and implement field projects. While the number of so-called "poor" projects has been substantially reduced, further improvements can still be made, especially with respect to project design and sustainability. We are pleased with the Evaluation Unit's forthright appraisal, in paragraphs 43 to 45 on areas that require attention in the future.

#### **Jarmo RATIA (Finland)**

I am speaking on behalf of the European Community and its Member States. The Members of the European Region have aligned themselves in this statement.

In order to be able to further develop and improve the new Comprehensive Planning Mechanism, the Organization needs feedback on the results and effects of its work. The Programme Implementation Report (PIR) is one of the tools containing this information, which makes it especially interesting at this stage. We would like to offer a few comments on the document Programme Implementation Report 1996-97 (C 99/8) in order to give our contribution to the discussion on its role in the future.

We note that this report is the last of its kind, and that the reason to discuss a report covering an earlier period lies in the decision of the 1995 Conference, which decided to change the timing for the presentation of the Programme Implementation Report. We are, therefore, in a transition stage where the report under discussion is somewhat overdue and the new system is not yet in place. Our comments aim at improving the future format. They are, however, based on the contents of the present report. This will be easier in the future as the Strategic Framework and the Medium-Term Plan (MTP) will provide the basis for prioritization. Establishment of links between all relevant documents of the Comprehensive Planning Mechanism is essential.

We are aware that the activities of this Organization are spread out on a vast area. Due to this fragmentation, the report seems very much like a catalogue and includes an incredible number of activities. All activities are listed, but little has been mentioned about reaching targets or analysing difficulties or background problems. How to do this in the future without increasing the amount of pages is, of course, an art in itself. Through the establishment of priorities, the MTP should also reflect the selection of activities presented in the PIR.

By now we know the building blocks of the Comprehensive Planning Mechanism: Strategic Framework, Medium-Term Plan, Programme of Work and Budget, Programme Implementation Report and Programme Evaluation Report. The division of labour between the different tools of the mechanism is important. Attention needs to be paid to what should go into an implementation report and what should go into an evaluation report. In order to give one example, we would like to point out that at present, the PIR deals with the results of project evaluations in a very detailed way, while the Evaluation Report hardly mentions this level. Information on the results is important, but the right place to present them should be considered when further developing the Planning Mechanism. In any case, these two *ex-post facto* reporting documents are important if the future planning is to benefit from lessons learned.

With respect to the future form of the Implementation Report, we would suggest including an annual performance report as one of the options to be considered. Many organizations and

agencies issue a report in which they report annually on the implementation and results of their main areas of work. Such reports include, *inter alia*, sections on results achieved, partnerships, inter-agency cooperation and financial accounts, as well as the shortcomings we mentioned earlier in our intervention. We would wish to see particular attention given to FAO's collaboration with other Agencies in the United Nations and beyond, in the context of United Nations reform. This should, of course, include information on cooperation and coordination between the Rome-based United Nations Agencies. Such reports should, obviously, be done in a condensed way. The publication of this report would also enable the Organization to make its activities better known to the public.

In order to follow the reporting through the years described, we would like to propose that in the future, a chart with numbers relating to programmes be provided. The implementation report could then refer to the units or programmes which carry the responsibility for the activity in question.

With these remarks, we hope that the Secretariat in cooperation with the Programme Committee will continue to develop the tools of the new Planning Mechanism and make the future Programme Implementation Reports more oriented towards the strategic objectives of FAO.

#### **Ronald ROSE (Canada)**

Canada is rather fortunate in that we have already had the opportunity to make comments on this report in the Programme Committee and in the Council. We endorsed the Reports of the Programme Committee and the Council where they made those comments. We would simply suggest that this Conference approve the Programme Implementation Report.

Before we do that, we go along very much with the comments of Finland, in that we have to look at where we go from here. The Programme Implementation Report, as it is currently drafted, is not really a report of the implementation of the programme. It is a report of activities and accomplishments of the Organization.

A Programme Implementation Report should not tell the Members what was done or accomplished. It should tell the Membership how much of the programme that we approved was implemented by the Organization, what changes in that programme were necessary, what had to be dropped, what had to be postponed, what was able to be added, etc.

We are fortunate in that we are now on the verge of a new planning regime in the Organization. Once we approve the Strategic Framework, and once we fully implement the new programming model, we will have a new planning system for the Organization. Members must now consider what the role of a Programme Implementation Report should be in that system and whether, in fact, we need such a report. We should consider whether we should leave it as a descriptive document and perhaps release it as a form of an annual report, as suggested by Finland, or whether we should make it, in fact, more analytical and combine the information into a strengthened Programme Evaluation Report.

We have no answers to these questions but we believe that Members must now consider the future of this Report in the context of the entire range of the new planning documents that we see before us.

#### **Lothar CAVIEZEL (Suisse)**

Nous apprenons avec satisfaction que la FAO a réussi, sur une période de six ans allant de 1993 à 1996-97, à maintenir les dépenses d'appui sous contrôle légèrement en dessous des 30 pourcent malgré une baisse de 27 pourcent de l'exécution des Programmes. Nous savons également que ceci n'a pas été facile à cause du grand nombre de petits projets qui exigent un appui technique, administratif et opérationnel plus important que les projets de plus grande ampleur.

Nous reconnaissons également que l'expérience pratique acquise sur le terrain est un atout indispensable pour la FAO qui doit être mis à profit pour l'élaboration de nouvelles méthodologies et normes. C'est ainsi que se développera une synergie entre programmes opérationnel et normatif. Nous sommes donc convaincus que l'appui extrabudgétaire représente un bénéfice net pour notre Organisation.

Nous apprécions également les efforts faits pour décentraliser les activités du Siège vers les Bureaux régionaux et sous-régionaux. Ces efforts devraient expliquer, au moins en partie, les meilleurs résultats obtenus depuis. Il reste cependant encore à améliorer la durabilité des projets prévoyant un suivi au niveau des investissements. Il s'agit pour cela, d'une part d'intégrer ces projets aux plans nationaux de développement et d'assurer la coordination avec les autorités nationales et les donateurs, et d'autre part d'assurer une participation des bénéficiaires et de leurs institutions de base à tel point que le projet devienne le leur. Pour y arriver, l'effort principal doit se situer au moment de la sélection et conception des projets.

Nous avons été déçus de lire un rapport sur l'exécution du Programme portant sur une période ancienne de trois à quatre ans. Nous pensons ici en particulier au Programme spécial de sécurité alimentaire dont nous aimerions connaître les succès et échecs. D'autres organisations internationales sont capables de présenter un rapport portant sur les deux dernières années. Pourquoi pas notre Organisation, la FAO ?

Pour améliorer cette situation, la Suisse propose donc de faire porter le rapport sur l'exécution du Programme pour la même période que celle du rapport d'évaluation du Programme. La période retenue devrait être celle précédent directement la Conférence, c'est à dire pour le prochain rapport les années 2000 et 2001. Le rapport sur l'exécution des Programmes présenterait donc l'ensemble des activités de l'Organisation pendant la période, tandis que le rapport d'évaluation ferait une synthèse de quelques programmes retenus pour l'évaluation qui figureraient également dans le rapport sur l'exécution du Programme. Le premier rapport représenterait ce qui a été fait, tandis que le deuxième analyserait l'impact économique, social et écologique des activités sur les pays dans lesquels les Programmes ont été réalisés.

C'est ainsi que l'indépendance du Service d'évaluation sera maintenue par rapport au Service opérationnel.

#### **P. D. SUDHAKAR (India)**

I congratulate the Secretariat for a good Report. However, there are a few observations and concerns which I wish to make.

First of all, there is a significant reduction in resources made available to the Programme. The total Programme delivery in 1996-97 is 18 percent less than the 1992-93 level.

Secondly, there is also a significant decline since 1992-93 in the expenditure under Extra-budgetary and Support Costs.

We note from the document that both support costs and reimbursements received have shown a steady decline since 1992-93. It is also indicated that in 1996-97, the shortfall under Administration and Operational Support amounts to approximately US\$ 40 million and reflects the difference between the actual cost incurred and the average recovered from the delivery of the Programme. We hope that efforts taken to narrow this gap have yielded some results.

The practice of cutting technical costs to fund administrative costs in the budget has continued in the 1997-98 budget. This goes against the objective of all the efforts being taken to mobilize resources for the technical programmes, and needs to be strictly discouraged.

#### **Asmani ALBANO (Tanzania, United Republic of)**

The Tanzania delegation has extensively read this Report and it has got a few comments to make.

One is the fact that we have observed, like my colleague of India, that there has been this decline from technical aspects, which to some countries we attach much importance. There could be some reasons, but I think this should be done when it is, indeed, very necessary.

Secondly, it is obvious that if the Organization had more resources it could have done more, but it has been limited with regard to the availability of resources. However, I wish to acknowledge that there are some projects here which have been, given as an example, such as the SADC. My country is a member of that Region, and we wish to thank them for that.

Yes, I would like to make a request, a similar one, which has been made by another delegate. This has to do with the grade levels, I think, of Country Offices. If it is possible to expand on this request, because Country Offices are just a small proportion of the entire staff complement of the Organization. If it will go beyond that, the report should indicate the nationality of the staff members.

Lastly, we have to ask a question here. Once we have approved the Strategic Framework, however way we want to approve it, I think it is also important to think of how to get the Reports. There is need to consider that probably a slightly different reporting system may be necessary, in view of the nature of the Strategic Framework itself.

Lastly, reporting for the recent preceding period remains meaningful, from our reference point of view, because this reflects more the reality, instead of having a report which talks about a period of three or four years ago.

#### **Mlle Aïcha RHRIB (Maroc)**

Je voudrais tout d'abord vous féliciter pour votre élection en tant que Président de la deuxième Commission. Je ne voudrais pas manquer de remercier Monsieur Wade pour le résumé qu'il vient de nous faire. Les réalisations opérées à travers les Programmes cités dans le rapport suscitent les quelques observations suivantes: Première observation - Le temps qui a été consacré à l'évaluation des résultats des projets reste faible par rapport à celui qui a été réservé aux autres activités. Il a représenté à peine 7 pourcent par rapport aux activités d'identification et de préparation qui ont accaparé 56 pourcent du temps global. Il est donc nécessaire de consacrer une part plus large à l'évaluation des résultats des projets dont l'importance fait l'unanimité.

Deuxième observation - En termes de volume de projets d'investissement, la valeur totale, dont le financement a été approuvé, il est à constater que la part de la Région du Proche-Orient et Afrique du Nord a connu une baisse très significative, 12 pourcent de la valeur totale des projets en 1992-93 devant 5,8 pourcent en 1996-97. En Afrique du Nord et au Proche-Orient, les travaux réalisés par la FAO dans le domaine foncier sont rares, alors que les problèmes fonciers liés au développement agricole s'y posent avec acuité, à savoir la diversité des régimes juridiques, le morcellement de la propriété, des déperditions en terres agricoles du fait de l'organisation, etc. Ces problèmes fonciers devraient constituer pour la FAO des thèmes de recherche devant déboucher sur des propositions de stratégies d'intervention, dans ces domaines, adaptées aux nécessités du développement agricole et au référent culturel des sociétés concernées. Aussi la valeur des projets pour le BNA 96-97 représente moins du tiers de celle de l'année 1992-93. Les causes de cette baisse ne sont pas mentionnées dans le rapport.

Troisième observation - La part des dépenses dans les projets consacrés aux prestations des experts et consultants a représenté 35 pourcent du montant total alloué au projet. Il s'agit d'une forte dépense et la question mérite sérieusement d'être débattue.

Quatrième observation - En 1996-97, plus de la moitié, 53 pourcent des projets, avait une durée inférieure à une année et 36 pourcent une durée de un à deux ans. Au cours des années précédentes, les projets qui duraient quatre ans et plus représentaient près de 30 pourcent. Cette tendance qui favorise des petits projets à durée limitée nécessite des mesures d'accompagnement requises en matière technique et financière notamment la préparation et le suivi de l'évaluation.

## I. Nyoman ARDHA (Indonesia)

Firstly, the Indonesian delegation would also like to join other delegations in electing you to chair this very important Commission of the Conference. We believe under your able guidance, the proceedings will be successful. In addition to that, our delegation would also like to join other delegations in commanding FAO for the progress made in the Programme Implementation as stated in the report under document C 99/8 which we are now discussing.

We also support the approval of the report by the Conference, as also stated by other delegations.

However, we would like to commend the Special Programme Implementation for Major Programme 4.1, Technical Cooperation Programme, for the biennium 1996-97. We always agree to the maintenance of the Programme, that is, the Major Programme, to respond to the urgent and unforeseen needs of Member Nations to fill a critical gap and are specific to certain conditions in the country. We are also happy to note that about 80 percent of the total requests could be met by FAO in this last biennium.

We also commend FAO for its efforts to use more and more national consultants in project implementation because of the higher costs of international consultants. However, for this biennium we are not happy to see, as indicated in Table 4.1-3, that international consultants need more than 70 percent in their implementation in the field, while national consultants just need 14 percent. With this, it is our feeling that it is not equally represented. Therefore, we strongly urge FAO to make a more equitable share in the future by improving the share of national consultants as far as possible.

## Kimawu UKINU DANIEL (Angola)

C'est la première fois que je prends la parole au niveau de cette Commission, je voudrais joindre ma voix à celle d'autres délégués qui m'ont précédé, pour vous féliciter pour votre brillante élection à la tête de la Commission II.

Je suis convaincu, que votre riche expérience dans ce domaine permettra que nos travaux soient couronnés de succès. Le document C 99/8 que le Secrétariat vient de nous présenter est d'une extrême importance et présente, de manière concrète, les réalisations de l'Organisation durant l'exercice biennal 1996-97.

Malgré les ressources insuffisantes qui lui ont été attribuées, des programmes et activités importants ont été réalisés. En effet, sur les 1538 activités qui ont été prévues dans le cadre du PTB, et 513 nouvelles activités introduites en cours d'exécution, 451 activités ont été supprimées et différées. Donc, malgré la suppression de ces activités, 1600 au total ont été réalisées soit 4 pourcent de plus que le nombre prévu initialement. A cet égard, nous ne pouvons qu'exprimer notre satisfaction et nos félicitations à la FAO.

La mise en œuvre des engagements approuvés par le Sommet mondial de l'alimentation et de son Plan d'action, le *Télefood*, est à féliciter. Il est cependant regrettable de constater que de nombreux programmes et activités ont été réduits par manque de ressources financières. Des efforts ont aussi été déployés pour réaliser des économies dans certains programmes, comme stipulé aux paragraphes 56, 57 et 295 pour ne citer que ceux-ci.

S'agissant de la production des semences, nous ne pouvons que nous féliciter pour la création du réseau de la sécurité semencière de la Communauté de Développement de l'Afrique Australe (SADC), il est incontestable que ce réseau permettra l'amélioration de la production de semences dans cette sous-région.

Au paragraphe 102, il est précisé que 22 pesticides et 5 substances chimiques sont dangereux et font l'objet d'un commerce international. Pourriez-vous nous fournir la liste de ces produits? Le programme de la lutte contre la trypanosomiase africaine (PLTA) a retenu notre attention. Nous

nous félicitons du nouveau programme du PLTA, qui, sans doute, renforcera et facilitera les prises de décision.

L'éradication de la glossine est indispensable, des résultats très encourageants ont été enregistrés dans l'île de Zanzibar, en faisant appel à la Technique de l'insecte stérile (TIS), qui est parvenu à débarrasser complètement l'île des mouches porteuses de la trypanosomiase. De vastes étendues de terre arable et d'excellents pâturages sont infestés par les mouches tsé-tsé, l'utilisation de la TIS permettra de se débarrasser de ces insectes.

A cet égard, nous lançons un appel à la Communauté internationale pour que des ressources importantes soient allouées à ce programme pour l'utilisation effective de la TIS. Quant au grand programme de pêche, nous avons noté avec regret que les ressources allouées à ce programme ont subi une réduction substantielle et cela, malgré le fait que ce secteur contribue de façon décisive à la sécurité alimentaire, compte tenu de sa valeur économique et nutritive.

Pour terminer, je ne peux que remercier la FAO et l'Italie pour l'initiative qui a permis la création d'un Centre de communication au service du développement dans le cadre de la communauté du développement de l'Afrique Australe. Ce projet a permis la formation d'un grand nombre de spécialistes de la communication dans notre sous-région.<sup>1</sup>

### **CHAIRMAN**

I see no other delegate wishes to make any contribution? If there are no other delegates wishing to speak I would like to give the floor to Mr Tony Wade to respond on behalf of the Secretariat.

### **Tony WADE (Director, Office of Programme Budget and Evaluation)**

Thank you very much for the kind remarks. A lot of effort goes into producing this Report, particularly in the technical divisions and it is appreciated when the Governing Bodies find the document useful.

If I may address certain questions: Grade levels in FAORs. The information we have available is as follows. It I may give you two comparative pieces of data: what we have currently and what we are proposing in 2000-2001, so you can get a feel of where we are moving.

D-2s which is the highest grade that exists in FAORs, that is, the second level of Director; there are seven currently, but the budget for 2000-01 has zero. The intention is to try and bring down the highest level grade and not use it in these offices, but just to rely on D-1s.

D-1s move from 34 currently to 37, so they rise slightly. P-5s move from 27 to 37, the same figure as the D-1s. P-4s move from 8 to one. P-3s move from one to two. P-2s move from 15 to 15, so there is no change there. That is a total of 92 posts in the new Budget.

What you can see is happening is that we are taking off the higher level grades for FAO Representatives, that is the D-2s, and we are removing some of the P-4s as well, believing that FAO Representatives should be in the D-1, P-5 range, depending on the size of the country and the programme, etc.

I think one delegate actually asked for figures by country. I would be very reluctant to release that. With changes of this nature coming up now, then you can see that there could be unfortunate comparisons between countries and etc. I would prefer if we leave it at this global level, if you can agree to that.

There is a comment by the United States of America concerning the flow of Extra-budgetary Resources between programmes. We see from that Table 2.4, that we, in fact, get a very high ratio of Extra-budgetary Resources for Crops, and you will find a similar high ratio for Forestry. In Crops, you have US\$ 105 million against US\$ 22 million extra-budgetary - therefore,

<sup>1</sup> Texte reçu avec demande d'insertion au procès-verbal.

approximately four to five times as much. Forestry is not so far off either - about US\$ 27 million in Regular Programme and US\$ 75 million in extra-budgetary, that is, three times as much. Now, some of these differences are just the reflection of donors' priorities I suppose, but it should also be recognized that different programmes have different needs.

The Crops Programme is a programme that, even though it has a high normative content, it inevitably requires an operational content to be functional. Whereas if you go to Food and Agricultural Information, that is Programme 2.2.2, you find that the Regular Programme is much larger than the extra-budgetary programme. This is because Technical Assistance in this particular field is not so significantly important. We are not trying to transfer technology to the same extent as we are in Crops, but I think your point is valid. Secondly, donors do not find it quite so appealing. I am not sure what can be done about it, I think it is something one has to keep an eye on to see that the ratios do not get too big anywhere and become unmanageable. Certainly, our Crops Division has indicated that it needs additional financial support to be able to manage all the programmes that it is responsible for. Your note of warning is taken and that explanation, I hope, helps a little bit.

Finland, on behalf of the European Union, commented that this Report was the last of its kind, and they made some very useful suggestions about future formats. Just to avoid any disillusionment, this will not be the last of its kind because the Strategic Framework will not really take effect in the whole process until the Budget for 2002-2003. So, if Conference approves the Strategic Framework in these days, that will then have an effect on the orientation of the Medium-Term Plan for 2002-2007, and the Programme of Work and Budget for 2002-2003. Therefore, the first Programme Implementation Report that starts to see the effect of the Strategic Framework is, in fact, the one for 2002-2003, not 1998-99 or 2000-2001.

The European Union then goes on to suggest the inclusion of a whole series of things, and to be fair to you, you acknowledge that the end of if, it would require some art, as well as science to be able to get all of the required information into a reduced-size document. Certainly, this is a large part of our problem in providing you with the sort of depth of data that you require while still keeping the document concise.

I have to say, we think that part of the answer lies in the greater use of the Internet, in such a way that those Members who require greater detail can get it, in a convenient form and those that would prefer a brief document for formal meetings, such as the Conference, can have it in a fairly brief form. We will be working towards that.

The idea of an Annual Report of the Performance Report was raised by the European Union and also mentioned, I think by Canada. This does give some difficulties I have to say. For a start, the financial period for the Organization, that is, the formal accounting period for the institution is a biennium, it is a two-year period. So there are no Audited Accounts by year, and therefore, you would have to deal with interim results in an Annual Report, which would be unaudited.

I feel that there is a risk that by moving into Annual Performance Reporting we will see partial implementation of programmes, by reporting one year out of a two-year plan. You do not have the one-year in the plan, you only have the two-year version. I am not sure that this is all that viable without adding additional costs and maybe not too much benefit.

On the other hand, can I say that for all of these suggestions, what we will be doing is going back to the Programme Committee, taking your comments to them and trying to respond to them with a new format for the Programme Implementation Report, as we did for the Programme Evaluation Report last September.

Canada felt that the Report did not show how much of the programme was implemented and talked about what activities were dropped, what were postponed, what was added. I am a little bit surprised at the remark. What we try to do in the tables preceding each technical programme, was to give a summary of the original plan in terms of the number of outputs to be produced. Then,

showing what was cancelled, showing what was unplanned but then delivered (these are the added activities) and the various modifications. That is supported directly by the Internet which describes each of the outputs and who produced them, so you get this connection. I wonder whether we maybe need to share together, a little better, how you can access this information on the Internet.

On the question of the Special Programme for Food Security, if I caught the comment of Switzerland correctly in the translation. Why cannot it be reviewed every two years like any other programme? We would argue that these are projects, which have objectives, and four modules, which are inter-related to each other, and if you do not get a complete picture of their implementation, you actually do not have much of a way to judge the Programme. There is not much point in looking at the water module without looking at the constraints analysis to see what is going to happen as a consequence of the implementation experience.

Unfortunately, the resources allocated to this programme have been rather limited so the consequence is that virtually no programme has gone through the entire cycle. In fact, the Director-General, in response to the Programme Committee's inquiry about when will there be a full evaluation of SPFS, said that it would be carried out in the year 2001, following the cropping season in that year. So, that will happen.

Now, that does not mean we cannot give you updates on where the Programme is going, of course, and what has been done, how many countries for which the programme is being formulated, and how many where implementation has started. In fact, with this Programme Implementation Report, we gave the Council an extra document, a supplementary document, at the request of the Programme Committee, which is CL 115/INF/23, and that will be on the Web if you would like to have a look at that.

Switzerland made the comment, and I think Tanzania may have followed up as well, which is that we should go back to where we were before the last biennium, in terms of timing. This is the idea that was in effect previously, where the 1996-97 Report would have been reported to the Conference in 1997, which meant that it had to go to the Council in June 1997 and to the Programme Committee in May 1997, which gives the six-week rule, etc. - you are talking about preparing the document in November, December, or January latest. For 1996-97, we are going to prepare a report in December 1996, January 1997. The difficulty is that the Report becomes very largely a forecast of what we are going to achieve instead of what we do achieve.

We really felt that it was a misleading approach, which meant that you never had a decent accountability document that said this was either achieved or was not achieved. Now such a document can only be prepared after the biennium is ended. In fact, the 1996-97 Report was prepared immediately after the 1996-97 biennium ended, went to the Programme Committee in May 1998, and then to the Council in November 1998. So, it was not so out of date for those Bodies when they reviewed it. Of course, by the time it gets to Conference, I appreciate that it becomes something of a historical document. I would urge that you consider carefully the consequences of going back to the old method, where I think you would reduce accountability in terms of the relationship between information the Secretariat has to provide to its Members about what it has and has not achieved.

Indonesia made the point that they would like to see more national consultants versus international consultants. May I say the Director-General agrees absolutely with that policy and has, in fact, set guidelines, particularly for TCP and SPFS projects whereby the projects will not be approved, unless the ration is improved to a certain level. Unfortunately, I do not have the actual ratio in front of me but I could provide you with that when outside the meeting. I am sure that in the 1998-99 Report you will see a considerable improvement in that particular area.

There were many comments suggesting how the form of the Report may be improved in the future. We take all of those on board; we will, as I said before, make sure that the Programme

Committee is fully aware of what you suggested, and will be trying to provide it with proposals as we have for Programme Evaluation.

**Asmani ALBANO (Tanzania, United Republic of)**

Just briefly on the last item, about the consultants. There is this word of "international consultants" and "local consultants". Well, I do not know what the difference is. Do we mean foreign consultants versus local consultants? What is an international consultant and what is a local consultant? Is an international consultant synonymous with a foreign consultant? Is it true that these people are paid differently for doing the same job because of the adjective?

**Tony WADE (Director, Office of Programme, Budget and Evaluation)**

The issue, I do not believe, is primarily cost. It is true that a national consultant, that is, a consultant who is hired in the country of which he is a national, gets paid rates which are closer to the local rates as applied by the UN System. Therefore, there is a cost differential. I do not deny that. But the Director-General's view of this is that, if we keep using international consultants, we do nothing for national capacity-building. It is much better to use the resources of the country to assist the country in improving its own capacity to solve problems. So, this is the major motivation for it. Of course, it is useful because the dollars go further and we can do more. If we can get the same quality national consultant as we can internationally, and the Director-General firmly believes that that is the case in many situations, then I think it is the right way to go.

**CHAIRMAN**

Any other comments further to the response of Mr Wade? If there is no other comment, may I suggest that the Programme Implementation Report 1996-97 be adopted.

I hear no voices saying anything negative, therefore the Programme Implementation Report 1996-97 is adopted.

**13. Programme Evaluation Report 1998-99 (C 99/4; C 99/LIM/5)**

**13. Rapport d'évaluation du Programme 1998-99 (C 99/4; C 99/LIM/5)**

**13. Informe sobre la Evaluación del Programa, 1998-99 (C 99/4; C 99/LIM/5)**

**CHAIRMAN**

We will now continue the Agenda. The next item is the Programme Evaluation Report 1998-99, contained in the document C 99/4 and C 99/LIM/5.

I will request Mr Wade to introduce this again. Partially, he has done it already. Before Mr Wade speaks, I have a request from the Chairman of the G-77 about a meeting at 14.00 hours. There is a place designated, I suppose.

**Tony WADE (Office of Programme, Budget and Evaluation)**

As you indicated, I have already commented on the difference between the Programme Implementation Report and the Programme Evaluation Report. This is the second of the two accountability reports being addressed today.

The Programme Evaluation Report focuses mainly on assessing the relevance and coherence of programme design, implementation efficiency in delivering outputs, management of coordination among key participants, effectiveness in achieving planned effects and impact, and the sustainabilities of other results we achieve.

This Report also includes some further improvements since the last version, taking into account, as you would expect, the comments and suggestions of Members. It includes, for the first time I believe, the views of programme managers on each respective evaluation; it includes a response from senior management to the evaluation; we have made greater use of our summary assessment

technique, which scores against each of the evaluation criteria; and we have increased the use of external inputs, that is either peer-group reviews or external evaluators, in the development of these evaluation reports.

It is, however, worth pointing out that the Programme Committee did report to the last Council after reviewing proposals of the Secretariat for a new evaluation regime in the light of the Strategic Framework and the new Programme Model. Here, the Secretariat put a substantive paper to the Programme Committee suggesting how this Report should change to reflect the implementation of the Strategic Framework and the new Programme Model. The Council endorsed those proposals, which, as a matter of interest, included revised reporting arrangements, which among other things would result in a more concise Programme Evaluation Report for Council and Conference but without loss of detail, because the detail-level reporting would go to the Programme Committee. Under the arrangements, where all of these reports are on the Internet, you should be able to access them should you be interested in doing so.

If I may take this opportunity of introducing Mr Kato, who is Chief of the Evaluation Service and is here on the podium also to respond to Members' questions.

### **CHAIRMAN**

Thank you Mr Wade. Do I see any hands raised? No comments whatsoever? United States of America, honourable delegate of the USA, you have the floor.

### **Richard J. HUGHES (United States of America)**

The United States provided more in-depth comments during the June Council meeting, and our statement here is available for the record. For this reason it is not necessary to repeat our statement. However, we would like to offer several brief comments.

We agree that the Programme Evaluation Report for 1998-99 was informative and useful, and that future evaluations will be less lengthy and descriptive while improving the analysis of the facts and impacts of programmes. We look forward to continued evaluations in accordance with standard FAO methodology, the continued relevance and effectiveness of programmes, procedures for reporting the results of evaluations, the identification of programmes that have met the criteria for continuing relevance and effectiveness, and proposals to terminate or modify programmes that have not met such criteria. Endorsing these points will improve accountability and service to Member Nations. We also acknowledge the improvements made in this version, particularly its reflection of greater interaction between the evaluators and programme managers and senior management, and look forward to more systematic use of assessments and more attention to FAO's thematic priorities.

Programme evaluation should help policy-makers better understand issues, provide recommendations and options and understand the impact of their actions. As FAO streamlines its management, reduces overheads and focuses priorities and programmes, we believe that evaluation processes are very important for the Organization as it strives to improve the way business is conducted in the next century.

### **Jarno RATIA (Finland)**

I am speaking on behalf of the European Community and its Member States.

Let me start out by referring to our statement on this same issue at the last Council Session in June 1999, where we gave our detailed comments on the specific programmes evaluated in the Programme Evaluation Report. We now take the opportunity to concentrate on a few fundamental issues related to the purpose and functions of evaluation in general.

Evaluation should be seen as an integrated part of any results-oriented management system. It should support accountability and be used for drawing lessons. Evaluation must thus be integrated into the new planning and programming mechanism of FAO so that it will provide the

necessary information and feedback for management decisions in both programme planning and execution. In order to function properly, the proposed regime should fulfil at least the following criteria: first, the Strategic Framework and the new Programming Model need to be successfully implemented; second, impact assessments should be made wherever feasible; and third, adequate resources for evaluation need to be provided. Evaluation is of course costly, but good evaluation contributes to greater organizational effectiveness and efficiency. These again ensure better value for money. Not undertaking evaluations might, in the end, prove even more costly.

The European Community and its Member States agree with the Director-General that the Programme Evaluation Report should facilitate Members in making their own assessments on the relevance, achievements and usefulness of selected programmes and activities of the Organization. To do this, evaluations should also address issues such as the impact and sustainability of the chosen team or project. Measurement of results is crucial. This would be facilitated by developing a set of indicators which should be comparable over a period of several years. Measurement is complicated if a proper baseline study has not been undertaken at the preparatory stage of each project. The indicator should already be set at this stage, and projects should systematically collect information all through its implementation. Impact is, of course, even more difficult to measure than results; however, the Members have a legitimate right to obtain impact assessment for programmes where it is feasible.

The European Community and its Member States regret that the assessment of impact and sustainability for such programmes in the present Programme Evaluation Report is weak. This weakness is also reflected in the recommendations. The Evaluation Service needs to concentrate on how to address these problems. At the same time, the operational departments need to give some thought as to how programme design can be improved and thus also the links between higher level outcomes and impact. Joint evaluations might also help in addressing the problems of impact assessment. Evaluations should not only concentrate on projects and programmes; they should go further upstream and encompass both policies and corporate strategies. Evaluations should not be made in a vacuum. In order to obtain reliable results, independent experts need to be used.

In the FAO Programme Evaluation Report, no cross-sectoral questions, such as the alleviation of poverty or environmental impact or gender equality, are being dealt with. The lack of statistics broken down by gender is to be seen as a worrying example of this absence. We have noticed that all the evaluations have been undertaken by FAO's own staff. External evaluators have been used in some individual projects but the summary and final evaluations are done in-house. The drafts have undergone a so-called peer review; however, there is no way of knowing what part of their comments has been incorporated into the final evaluation. Neither have the external evaluators been part of the process from beginning to end, with one exception in the case of the participatory approaches to development programmes, we have also noted that the experts in the peer review were all men. Peer reviews are useful means to add external views to the evaluations, but we should like to stress that peer reviews can never replace external evaluations.

As a final point, we would like to draw your attention to the reporting to the Governing Bodies. As the Evaluation Report is one of the tools to provide information, its Members need to further assess the appropriateness of the strategies chosen. It is essential that the Evaluation Reports be discussed in the proper Technical Committees before submission to the Council and the Conference. This would help the Organization to be well prepared for the first assessment of the new Strategic Framework.

#### **Ms Thi Lan HOANG (Canada)**

Thank you for the opportunity to comment on this document. Canada compliments FAO on the further improvements made to the Report, especially the inclusion of external peer reviews. While we have always felt that FAO had good strength in programme evaluation, we noted the increased objectivity this has brought to the process. The recommendations for the Forestry

Programme stress the need for a multidisciplinary approach, the need for more focused priorities with a critical mass and the need for sound linkages between Headquarters and the field. These are recommendations which we strongly support, not just for this programme but for all programmes. However, I must say that we do concur with the statement in the Report of the Programme Committee that the Committee found many of the individual programmes' reviews and evaluations to be rather descriptive without a systematic assessment of the impact being achieved.

Canada would suggest that the impact assessment would provide guidance in the development of the Programme of Work and the project approval process, and the basis on which to establish programme priorities. Canada fully supports the principle of participatory approaches to development in FAO and recommendations made to improve the work of FAO in this regard, particularly the reference to participatory project management training for mid-level managers. In general, Canada concurs with the findings of the evaluation.

In closing, we believe that evaluation results need to be utilized more fully in the programme planning and budgeting cycle. Canada would also like to suggest that future evaluation reports include a section which would outline the actions taken on the recommendations of the previous report.

#### **Lothar CAVIEZEL (Suisse)**

La Suisse voudrait tout d'abord soutenir la déclaration fort intéressante qui vient d'être faite par l'Union européenne. Le rapport d'évaluation du Programme 1998-99 confirme une fois de plus l'importance non négligeable de l'évaluation pour l'amélioration de la qualité des programmes.

A notre avis, les évaluations individuelles des programmes sont trop longues et descriptives et accordent trop peu de place à l'analyse de l'impact de chaque programme. Dans l'avenir, les évaluations devraient donc être plus analytiques, le processus d'évaluation, quant à lui, devrait se caractériser par une meilleure interaction entre les évaluateurs, les responsables de programmes et la direction générale et par un recours plus fréquent à des spécialistes nationaux. Les recommandations et les leçons apprises devraient aussi être systématiquement intégrées dans l'élaboration et la planification du Programme et le processus budgétaire.

Nous espérons vivement que ces recommandations pourront déjà être mises en œuvre dans le prochain rapport dans deux ans. Nous soutenons également le processus de réforme entamé par le Comité du Programme en vue rendre ce rapport compatible avec le Cadre stratégique et le Programme à moyen terme. Nous sommes par contre un peu étonnés qu'il faille six années pour élaborer et approuver un nouveau processus d'évaluation.

Ceci signifie en clair, que pendant les six prochaines années, les évaluateurs des programmes n'auront aucune obligation de tenir compte des nouvelles orientations figurant dans le Cadre stratégique. Nous proposons donc que les organes directeurs de la FAO cherchent une solution transitoire pour la période des six prochaines années.

#### **Kimawu UKINU DANIEL (Angola)**

Prenant la parole au sein de cette Commission pour la première fois, je voudrais joindre ma voix à celle des autres délégués qui m'ont précédé pour vous féliciter pour votre élection à la tête de cette Commission. Je suis convaincu que votre expérience dans ce domaine permettra que nos travaux soient couronnés de succès.

Nous avons étudié avec beaucoup d'attention ce document qui nous est soumis pour examen. L'évaluation est d'une importance capitale pour toute bonne gestion d'une organisation, car elle permet d'améliorer la pertinence, l'efficacité des programmes et opérations et aide l'institution à tirer les leçons des expériences passées et s'acquitter de ses obligations d'une manière efficace pour la prise des décisions en matière de planification et d'exécution du Programme.

Ce document est concis et analytique et contient des propositions bien fondées concernant la révision du système d'évaluation. Ce nouveau système de planification et de programmation faciliterait, sans doute, une évaluation plus orientée sur la stratégie et axée sur le résultat. Ma délégation approuve la réintroduction d'un système d'auto-évaluation comme élément permanent de la gestion des Programmes qui permettrait aux Directeurs des programmes de suivre et d'auto-évaluer leurs programmes de manière plus systématique.

Nous prenons aussi acte des diverses contraintes et questions résumées au paragraphe 8. En ce qui concerne les ressources financières de l'Organisation, nous pensons que le coût de l'évaluation des Programmes doit être incorporé dans le budget du Programme ordinaire au stade de la conception du projet et d'évaluer le Programme au cours de ses diverses étapes et pas uniquement à la fin du projet. Par ailleurs, nous faisons nôtres les observations formulées par le Comité du programme à sa 82ème session sur les principaux aspects des propositions relatives aux critères d'évaluation, aux principaux éléments de l'évaluation, aux rapports destinés aux organes directeurs, aux dispositions à prendre pour la période intérimaire et les propositions concernant l'évaluation des petits projets figurant à l'Annexe 1 de ce document, y compris l'imputation directe du coût de ces évaluations au budget des projets du fonds fiduciaire.

Pour terminer, ma délégation est très intéressée par la proposition relative à une évaluation du Programme spécial pour la sécurité alimentaire à effectuer, dès que possible, dans les pays où ce Programme est en cours. Nous sommes convaincus que celle-ci fera ressortir l'importance de ce Programme et son efficacité dans la résolution des problèmes liés à la sécurité alimentaire qui sévissent encore dans plusieurs zones de notre continent.

#### **NI HONGXING (China) (Original language Chinese)**

First of all, I would like to congratulate you on your election to the chair of this Commission. I am convinced that under your guidance our meeting will fully succeed in its tasks.

The delegation of China would first of all like to thank the Secretariat of FAO for having prepared an excellent document, and would like to thank Mr Wade for presenting this item of the Agenda. The Programme Evaluation Report, which sets out considerable information with regard to the relevance, consistency and the usefulness of the various programmes, has stressed the effectiveness of the outcome of results in the implementation of the programmes. My delegation would like to endorse and support this method, and would like to express its appreciation for the new efforts deployed by FAO to improve the evaluation process.

We have also noted that the dialogue has been reinforced between programme managers and the Evaluation Service staff, and that FAO has taken measures to use peer evaluation as a trial. My delegation feels that this will also improve the cost-effective ratio, increase transparency and broaden general transparency. We have noted that the different Departments concerned, and the Director-General of FAO, have attached considerable importance to the results and recommendations of the evaluation of the Departments of Agriculture, Forestry, and Technical Cooperation and Sustainable Development. All have reacted to the evaluation in a positive way, and I think this is a good start. However, the delegation of China has also noted with concern that in the review and evaluation, the descriptive part is too long and that there is no systematic evaluation on the expected impact. We hope that FAO will be able to improve the work in this area. Because it is such a succinct Report, it only covers agricultural support, system review, financial resources, forestry resources, support to investment and the technical cooperation projects on food quality control. We hope that the future Programme Evaluation Report will cover more programmes.

#### **José ROBLES AGUILAR (México)**

Como todos los oradores que me han precedido deseamos felicitarlo por su elección así como a los otros integrantes de la Mesa. Queremos reiterar la importancia que revisten las actividades de evaluación en el marco de planeación de los trabajos de esta Organización. En tal sentido

coincidimos que, más que cuantitativo, el carácter que deben revestir los informes de evaluación sobre las actividades de la FAO debe ser de naturaleza cualitativa. Creemos necesario que se refuerce la parte respectiva de estos informes.

A continuación deseamos abordar el programa relativo a la Cooperación Técnica, Programa 4.1, que consideramos debe continuar revistiendo una de las importancias más destacadas en las funciones que cumple esta Organización. En tal sentido deseamos también señalar la importancia de que algunas áreas prioritarias planteadas por la FAO sigan constituyendo áreas no solamente en términos de ejecución sino también en términos de evaluación. Se les debe de otorgar mayor importancia. Me refiero específicamente a los campos de pesca, de bosques y algunas otras áreas relacionadas como el *Codex Alimentarius*. Nos preocupa la creciente participación de los recursos extrapresupuestales en áreas claves como la ya citada; en tal sentido nos gustaría preguntar a la Secretaría, al señor Wade, respecto a la proyección histórica en términos de participación de recursos extrapresupuestarios en estos sectores, en particular el de la Cooperación Técnica.

Finalmente, y en esta misma línea, lamentamos esta transferencia de recursos que se ha solicitado justo para este período, para el 1998-99, de los capítulos sustantivos de la Organización, capítulos que cumplen funciones de carácter administrativo.

**Saad Ben Abdallah KHALIL (Saudi Arabia, Kingdom of) (Original language Arabic)**

We would first of all like to congratulate you on your election to the Chair of this Committee, and would like to thank the Members of the Secretariat who have prepared this Programme Evaluation Report.

We would like to endorse what has been said by the delegate of the United States at the beginning of our discussions on this point, and we hope that this report will be a little more concise and will focus more on the analytical aspect of programmes. We should also like to propose that FAO in future use Regional Offices a great deal more in order to circulate questionnaires so that the managers of these Regional Offices are also enabled to take part in evaluation procedure. In so doing we could have a far clearer idea of what is to be used in the preparation of programmes in the future.

**Ms Neela GANGADHARAN (India)**

We have some very brief points to make. We would like to see the evaluation work of the Organization improve the changes that are being brought about in the Programme of Work and Budget, especially in the classifying of the programmes. We would like to see a strong link between specific outputs mentioned in the PWB and the evaluation process, because we feel that there has to be a link between the targets for the programmes, the implementation of the programmes, and the evaluation of the programmes. I think for the Membership to get a very clear view of this link suggested changes that are coming up in the PWB will enable the evaluation system as well to improve, and we would look forward to seeing that.

The second point we would like to make is that we do support Mexico and others who have asked for the increasing need to address qualitative issues in the Programme Evaluation Report.

Just one specific issue on the evaluation of the programme of agricultural support system: From India's point of view, we support the recommendations made in the Report towards refocusing the programme by way of increased emphasis within FAO on the technical and commercial post-production area of food and agriculture by increased resource flows, shifting the major burden of technical responses to the Regional Offices, backed by an appropriate information base developed at Headquarters, and third, increased emphasis on local capacity-building.

### **Khairuddin Md TAHIR (Malaysia)**

My delegation would like to join others in congratulating you on your election to this Commission, and we are convinced that under your able leadership the work of this Commission will be successfully concluded in the period given to us. Second, I would like to congratulate Mr Wade, Mr Kato and his staff for the excellent and comprehensive Report.

My comments are brief, and it concerns two aspects. The first on Programme 2.1.4 – on the Agriculture Support Systems. specifically on paragraph 17, concerning the patents on processing that have been developed by FAO and the establishment of this revolving financial facility in FAO. I would appreciate a clarification by the Secretariat on this issue as to whether in future patterns developed by FAO will be charged to Member Nations who need to utilize these processes that have been developed by FAO.

Second, concerning the delivery cost of FAO field operational programmes, we would appreciate if FAO could supply us with any figures that have been developed on the delivery costs of FAO field programmes If there are figures on this we would appreciate if we could be informed of any recent trends and especially whether the delivery costs have been increasing or decreasing.

### **Asmani ALBANO (Tanzania, United Republic of)**

Let me comment on those who prepared this document C 99/4. It is a very useful document.

First, I am happy on the participatory approach the Organization is taking. I think it is important that when you have got this project the targeted people should be involved in implementing as well as designing the project. That is very good. Second, I do not see any fishery resources, so I consider that during the under review, there is no programme involved in fishery resources. Third, on paragraph 31: I'd like to be informed whether there is any special criteria for other projects being evaluated by external consultants, others being evaluated by the Evaluation Division of the Organization and others that are being done through desk reviews. On paragraph 24: Investment Center, there is this phrase I do not understand: "impartial technical advice". I thought technical advice was always technical advice. If there is impartial advice, then we are told there is partial technical advice. So, the long and the short of it is, I want to know what the background of the language is. But more important, I would like to know what has been the result of the productivity aspect of investment promotion because that is the main concern. And last, if the Center is involved, apart from the growing of food going to another level of processing, if that is part of it or it just aims at the production aspect.

### **Mlle Aïcha RHRIB (Maroc)**

Ma délégation a certaines observations et propositions sur les Programmes suivants: Le premier Programme - Approches participatives. Le rapport passe en revue toutes les actions menées par la FAO et énonce des recommandations et énumère les principaux domaines d'action ultérieure. Cependant, il ne procède pas à une évaluation des résultats, notamment les facteurs d'échec des tentatives de gestion participatives des projets et les raisons de résistance au partage des responsabilités et à l'institutionnalisation de la congestion des ressources et des projets de développement. Par ailleurs, le Maroc adhère et appuie les approches participatives adoptées par la FAO en matière de recherche, de développement et de mise en œuvre de projets sur le terrain, et d'une manière générale les approches permettant la participation des populations au développement rural durable.

Deuxième Programme - Soutien à l'investissement. Il concerne la promotion des investissements dans les secteurs agricole et rural des pays en développement. Cette mission est attribuée au Centre d'investissement de la FAO qui joue un rôle de catalyseur dans l'identification de la préparation des projets d'investissement. Les propositions qu'on peut faire dans le cadre de ce Programme portent essentiellement sur les structures et le fonctionnement du Centre

d'investissement (CI). Il est nécessaire de doter le CI des moyens utiles et adéquats pour accomplir ses tâches, de renforcer ses capacités en terme d'approche et de modalité opérationnelles pour lui permettre de suivre les changements économiques, politiques et sociaux qui s'opèrent à travers le monde, d'optimiser l'utilisation de ses ressources humaines et de maintenir la qualité de son personnel en appliquant des mesures rigoureuses et rationnelles de recrutement.

La deuxième observation concerne l'évaluation du Programme 1998-99 qui montre que les investissements dans l'agriculture et le secteur rural, tant pour couvrir les besoins alimentaires que pour stimuler un accès économique et social général pour les pays en développement, ont fléchi pendant la dernière décennie. Dans ce sens, la FAO ne peut pas jouer pleinement son rôle en qualité d'institution spécialisée et encourager le développement de projets de soutien des investissements dans le domaine agricole.

Le troisième Programme - Système de soutien à l'agriculture. Le rapport dénote un certain nombre de problèmes qui entravent la mission de la Division des systèmes de soutien à l'agriculture AGS. Le Maroc souscrit pleinement aux propositions en vue de palier à ce problème, à savoir le renforcement de la synergie au sein de AGS pour le développement de l'entrepreneuriat en agriculture et dans les industries liées à ce secteur, la définition des priorités et concentration de ressources pour dégager une masse critique, développement de la fonction de l'information, en particulier en ce qui concerne les agro-industries, la prévention des terres après récolte et le génie agricole.

Quatrièmement je voudrais mentionner la fourniture d'une série de manuels d'enseignement et de formation et dernièrement, coopération avec d'autres institutions, notamment l'UNIDI, l'OIT et le FIDA, ect.

#### **Ms Małgorzata PIOTROWSKA (Poland)**

First of all, allow me to express appreciation for this comprehensive document prepared by the Secretariat, which constitutes an excellent basis for debate and an evaluative assessment of the Organization's programmes and activities under this Agenda item.

It provides also highly informative background for the discussions on the FAO Strategic Framework we face.

I have the pleasure to present some specific comments on this Programme Evaluation Report. I would, in particular, like to focus on the balance between normative functions of FAO and the operational work in investment support and TCP assistance, both of which, from the point of view of Poland and other Central and Eastern European countries, are of importance and impact in the Region.

Poland has in the past benefited a number of times from the expertise and project design services of the Investment Center, and we would like to fully uphold our high esteem of these services provided by the Center in particular in the areas of project identification and formulation.

While after almost ten years of transition in our country there is obviously much more national ownership and capacity for such work, we continue to appreciate the work done by the Center. We are impressed with the continuing high share of the Investment Center work in the World Bank and European Bank for Reconstruction and Development lending.

We, in full, support the areas recently added to TCI's work, as enumerated in the document, i.e., capacity-building, participation in development and natural resources management, recognizing them as key for the future.

We share the view that in the transition economies, the Center will more and more complement rather than substitute national expertise, and we look forward to further assistance by the Center.

At an appropriate date we would like to revert to the proposal of training courses for national experts in project formulation, preparation, implementation and appraisal.

The document which we are discussing makes a thorough presentation of the recent TCP projects on food quality control, an area of key importance for the transition economies in Europe and elsewhere.

The work and the staff of the Food and Nutrition Division is well known in our country and appreciated, in particular the assistance in formulation of legislation as this part of the economy adjusts to international standards - in the case of Europe, to those of the European Union.

We are in full support of the high assessment of FAO's capacity in this field. The idea of a Trust Fund to secure project follow-up for various *Codex Alimentarius*-related projects seems a highly relevant one.

We would also like to reinforce the proposal, referred to in numerous parts of the document, for better targeting of publications, including language coverage, which is a condition for dissemination of FAO products to audiences in the transition economies.

Thus, the review of rural finance-related publications in the document discussed provides a good idea of the expertise available from FAO in this specialist and important area. We certainly look forward to these publications as an independent and neutral source of policy options in rural finance.

We also look forward to the new Micro-banker software announced, as a new tool for projects and training. Allow me, however, to make a comment in passing that the recommendation that the Peer Review for the Rural Finance engage more in the semi- and informal sector of rural finance is, as experience shows, a very difficult and time-consuming recommendation.

We share, on the other hand, the reservation in the document that FAO's comparative advantage in producing and disseminating publications on participatory activities seems indeed limited, and careful choice needs to be made on whether, for example, national academic or extension institutions could not perform this job better, in particular material for work in the field in the particular country.<sup>2</sup>

#### **CHAIRMAN**

May I request Mr Wade and Mr Kato to respond the comments made from the floor.

#### **Tony WADE (Director, Office of Programme, Budget and Evaluation)**

I will take one or two of the general issues, and then Mr Kato can respond on the questions that dealt with the specific evaluations.

First of all, the remark from Finland on behalf of the European Union that there need to be links with higher level objectives, and I think here you are probably talking about the Strategic Objectives, certainly we agree with you. Under the new Programme Model, we see much stronger links between the projects developed under the new Programme Model and the Strategic Objectives in the Strategic Framework. This is not apparent from the PWB 2000-2001 because we did not feel it appropriate to structure it in this way given that the Strategic Framework had not yet been approved, but I can assure you that 2002-2003, and of course, the Medium-Term Plan that supports it, will have very explicit links to the Strategic Objectives. This will then make it easier for the Evaluation Service to address the achievement, or progress towards achieving, what we say in the Strategic Objectives.

Having said that, mind you, we need to be a little bit realistic. The Strategic Framework is a framework, not a plan. It is a framework which defines the areas in which you, the Member

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<sup>2</sup> Statement inserted in the verbatim records on request.

Nations, say FAO should assist Member Governments, and the objectives are defined in those terms. So they are not really very measurable at that level. We have always recognized this and have always accepted it. What should happen in the Medium-Term Plan is that you should get very explicit, time-bound objectives which can be related to those Strategic Objectives and which can be measured and evaluated, so that the linkage should come that way.

Finland also referenced cross-sectoral issues, and I think you felt that there was a lack of attention to cross-sectoral issues here. Of course the real attention to substantive cross-sectoral Strategic Objectives will give us exactly what you want, because they have all been designed on a multisectoral or intersectoral basis, and that is an absence from the current programme structure which tends to be on disciplinary lines.

You will see that there are, however, some thematic areas which we already address on a cross-sectoral basis, such as participatory practices, which I think is similar to the gender issue. It is a theme that has to be applied across all programmes, regardless of the discipline which we are addressing.

The issue of evaluation and feedback to planning and to the budget. Absolutely critical. We agree with you entirely. There is hardly any point at all in the evaluation process if it does not result in lessons learned that are applied to future planning. Can I say that one of the reasons we have the new Programme Model is precisely that. It was the Evaluation Service, in earlier evaluation reports that kept thumping the table and saying: we need to have better-defined objectives for the programmes, otherwise we cannot evaluate. It was as a consequence of that that we developed the new Programme Model which came, you will recall, before the Strategic Framework. So, we fully recognize it. The Evaluation Service is in the Office of Programme, Budget and Evaluation, and has a very direct impact on how we approach new plans.

Switzerland was very concerned that it would take six years to develop the new evaluation reporting mechanism. We may have written that badly. We do not really mean that it will take six years to develop the reporting mechanism. What we mean is that because the projects tend to be of a six-year period, the first full effect that you will see of this evaluation technique will be on projects which are completed in six years' time. That does not mean that we are not moving immediately to addressing the new regime, which in fact we have written about and reported to the Programme Committee and also to the Council. So implementation starts immediately, but the full affect cannot be seen until we have completed some projects under the new model.

Mexico asked for historical data on extra-budgetary projects by sector. I do not have it in front of me, but I will supply you with information on that. If I take out information from previous Reports, we can put it all together for you.

Malaysia asked a question concerning patents developed by FAO and whether developing countries would be charged under those patents. I see Mr Moore is here, and I will duck that question and ask him if he would not mind addressing it. You also asked about the delivery cost of FAO programmes and recent trends. I will not go into any detail here, but may I refer you to a Finance Committee paper, FC 93/4, which went to the last September Session and is on the Website, and there you will see three-year trends from 1996 to 1998 inclusive, showing a considerable reduction in the cost of Field Programme delivery, which in fact I addressed a little bit under the Programme Implementation Report, the earlier item. So, I think you will find what you need there. Please come to me if you do not.

I would stop there if I may, and first of all ask Mr Moore if he would not mind answering the question on patents, and then Mr Kato on detail.

## LEGAL COUNSEL

I understand the question had to do with patenting arrangements and if FAO does take out patents on some of its innovations, its inventions, whether these would be made available to developing countries at accessible prices.

I think this question was taken up in the Finance Committee when it was considering the question of the amendment of Financial Regulation 6.9 and 7.1 to provide for the establishment of a Revolving Fund for FAO Products and Related Services other than Information Products. You have this on the Agenda of the Conference later on this week. I think it will be on Thursday, 18 November. When it considered the matter, the Finance Committee, and also the CCLM in endorsing the proposed amendment to the Financial Regulations, noted that ". . . the development of FAO-innovated products should continue to be related to the achievement of the institutional objectives of the Organization, that the Organization should not be tempted to duplicate the role of the private commercial sector, and that arrangements for the exploitation of such products should be in line with the aims of the Organization, such as ensuring that such products are made widely available to developing countries or sectors at accessible prices. In this context, FAO intellectual property in such innovations could be a useful tool . . .".

If I can explain that a little bit more. When FAO feels that it is appropriate in a particular case to take out a patent, normally a defensive patent, then the normal arrangement, as is occurring right now, would be for FAO to enter into a licensing agreement for the exploitation, or development, of the patent, and FAO would use its residual intellectual property rights to ensure that its aims are met, and in particular to ensure, as a condition of the licensing arrangement, that the innovation would be made available to developing countries at concessional, or at least accessible, prices -- as cheaply as possible, hopefully free, but at least as cheaply as possible.

I hope that answers Malaysia's question.

## Masa KATO (FAO Staff)

I do not have much to say, since Mr Wade has really explained quite extensively a lot of comments. Maybe one or two things.

First, as someone in the production team of the Report and working on evaluation, I appreciate very much the support and many useful suggestions coming from the floor. Similar kinds of suggestions we have also received from the Programme Committee, and we are continuing to do our best to make improvements, particularly in the area improving assessment of the results, as we are asked to look more closely at impact and sustainability.

Only one thing I would like to add is that we have to be quite creative in coming up with appropriate cost-effective ways of defining impact as far as FAO's programmes are concerned. These are not like large investment projects or significant technical assistance projects, working directly in the field with farmers, rural communities, and after several years you see very clear, distinct changes taking place in these targeted people. For us, working essentially with international meetings, expert conferences, coming up with guidelines, codes, best practises, training in the field, spreading information, providing some specific technical advice: these activities under the FAO programme tend to be discreet and dispersed and very small, if we take individually. So, how we look at the impact of a particular programme over a period of time -- in Member Nations, in our partner institutions, maybe within FAO itself -- is something we have to think about more clearly, and we have started a discussion with the Programme Committee about these matters. So, I think we will continue on that.

Another matter, for course, as Mr Wade has said, is feedback for evaluation on programme and planning and implementation. One of the reasons why we have been trying to encourage a more participatory approach, if you will, in our programme reviews with our technical colleagues is to

try to involve them and actually, apart from producing reports to our management and to you, this dialogue process is very important. Sometimes when we start a review we discover we are not on the same wavelength, so we have to go back to what the programme design means, etc., and so this kind of induction is very useful, and in the proposed new evaluation regime we are developing, we hope what we would call an auto-evaluation, self-evaluation system at the programme management level. It will involve technical colleagues, programme staff managers more directly in the actual design of their programmes, monitoring their achievement and periodically reviewing, and then we will supplement the process with more independent evaluation mechanisms. So, I look forward to an opportunity to discuss with you more on these as we move on.

Maybe only one thing, I may just answer a few questions raised by the representative of the United Republic of Tanzania, and on the investment support were queries on why we are emphasizing the impartial nature of FAO's work in this area. That is actually a very important value-added nature of FAO's involvement here because project identification, formulation, appraisal and increasingly sometimes in reviewing the implementation performance, the Investment Center come from organizations which represent Membership, whereas alternatively these financing institutions tend to use consultants, so that in comparison with consultants, Governments look to FAO, and we do respond with a more considered opinion based on technical judgement. Sometimes issues arise where an international financing institution may have a very definite line of approach, borrowing side, the Government may feel a bit uncomfortable with the thrust of the recommendations, and they would appreciate having FAO's second judgement, so to speak, an independent way. So, that is why this is very stressed.

In terms of performance of the Investment Center project, FAO has been very much involved in systematically reviewing. We do have access to World Bank operations and evaluation reports on selected projects they review, so we know generally that agricultural rural development projects are the most difficult projects to manage, with one of the highest rates of problems in terms of World Bank portfolio management. So, we do need to work together in this area.

The Tanzanian delegation also asked about TCP reviews. We started with this cluster evaluation on food quality control. We hope we will be able to continue this annually, and we have covered another cluster of projects, about 20 or so, covering TCP support to apiculture and sericulture. We are now engaged in TCP support to legal advice, so, we will be continuing like this, choosing a priority area both in terms of demand from Member Nations and in terms of FAO's normative input.

The selection of these items discussed within the FAO Secretariat, particularly with our TC Department, and of course they are discussed as part of the review of the topics to be covered in evaluation discussed at the Programme Committee.

#### **CHAIRMAN**

I think that covers extensively the points raised, between Mr Wade, Mr Kato and Mr Moore. Any further comments from the floor on clarifications given? I do not see any hands raised. May I therefore move that the Programme Evaluation 1998-99, as contained in documents C 99/4 and C 99/LIM/5, be adopted.

We have finished the two items which were on the Programme this morning, and I would like to congratulate all participants at this morning's discussions in helping us to achieve our goal of moving the Agenda at the desired pace. I would, therefore, declare this morning's Session closed. However, before doing so, I wish to make a couple of announcements.

Commission II will reconvene at 14.30 hours, that is, 2.30 p.m., here. The Chairman of the G-77 has requested me to again mention that the Group of 77 will meet at 14.00 hours in the Malaysian Room. The first meeting of the Friends of the Chair will be at 15.00 hours that is, 3 p.m., in the Lebanon Room.

**Asmani ALBANO (Tanzania, United Republic of)**

I would like to know, at 14.00 hours which Agenda Item are we going to cover? Are we going to cover the Agenda Item which we were supposed to cover tomorrow, because we seem to have covered the two Agenda Items today. I would like to know the Agenda for the 14.30 meeting.

**CHAIRMAN**

I think it will be a very good idea if we do that, and therefore at 14.30 hours we will take up the Programme of Work and Budget, which was to be commenced tomorrow morning. We will commence discussions this afternoon at 14.30 hours. Thank you for this clarification, which I have given because I was asked the question.

**José ROBLES-AGUILAR (México)**

Quisiéramos saber, primeramente, sobre el "Grupo de amigos del Presidente" que la Comisión decidió crear. No sé si ya se ha anunciado en algún momento como estaría integrado, si no, nos gustaría conocer los nombres de los Países Miembros o cómo se decidiría, porque la primera reunión, según Usted nos ha comentado, sería a las tres de la tarde. La segunda cuestión se refiere al Grupo de Redacción. Hasta donde recuerdo no se mencionó, al inicio de los trabajos de esta Comisión, si se establecería un Grupo de Redacción y, en todo caso, quiénes lo integrarían.

**CHAIRMAN**

As for the second question relating to the Drafting Committee, there are some names available for the Drafting Committee, and the Secretary will mention them. Whether the Drafting Committee needs to meet tonight or not, we will decide in due course.

As for the first question relating to the Members of the Friends of the Chair, if I recollect rightly, I mentioned in the morning that the Regional Groups may decide on one Regional Coordinator, and in fact, I would request that the names be made available to the Secretary by 14.30 hours, and that Regional Coordinator will then take over from thereon.

**SECRETARY, COMMISSION II**

In response to your second question, if I could just read out the list of names that I have for the Drafting Committee for Commission II. The countries are as follows: Ghana, Zambia, Egypt, Iraq, the United States of America, Australia, China, Pakistan, Japan, the Netherlands, Sweden, Argentina and Brazil under the Chairpersonship of France.

**CHAIRMAN**

The morning session comes to a close. We meet at 14.30 hours here.

*The meeting rose at 12.30 hours.*

*La séance est levée à 12 h 30.*

*Se levanta la sesión a las 12.30 horas.*

# CONFERENCE CONFÉRENCE CONFERENCIA

## Thirtieth Session Trentième session 30o período de sesiones

Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999

## SECOND MEETING OF COMMISION II DEUXIÈME SÉANCE DE LA COMMISSION II SEGUNDA SESIÓN DE LA COMISIÓN II

15 November 1999

The Second Meeting was opened at 15.30 hours  
Ms Anneli Vuorinen,  
Vice-Chairperson of Commission II, presiding

La deuxième séance est ouverte à 15 h 30  
sous la présidence de Ms Anneli Vuorinen  
Vice-Président de la Commission II

Se abre la segunda sesión a las 15.30 horas  
bajo la presidencia del Ms Anneli Vuorinen,  
Vice-Presidenta de la Comisión II

## **CHAIRPERSON**

I think it is now time to start our afternoon session. Before going into the next Agenda item, I would like to give the floor to the Secretary to make a few announcements concerning the composition of the Friends of the Chair Group and some corrections to the Drafting Committee's composition.

## **SECRETARY (Commission II)**

First of all, with regard to the Members of the Friends of the Chairman Group, who are currently meeting in the Lebanon Room, we had asked for the Regions to come back to us with the names of the representatives they had wanted in the Group, and I can announce the following names: Chile, Brazil, Pakistan, Philippines, Morocco, Zimbabwe, Libya, Iraq, Japan, Australia, New Zealand, Finland, Switzerland, the United States of America, Canada, under the chairpersonship of India.

These are the names that I have had given to me, over the lunch break. If there are any additions to the Group that I have omitted, or substitutions, please let me know.

## **PART II - PROGRAMME AND BUDGETARY MATTERS (continued)**

## **DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET (suite)**

## **PARTE II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**14. Programme of Work and Budget 2000-2001 (Draft Resolution) (C 99/3; C 99/3-Corr. 1; C 99/3-Corr. 2; CL 117/LIM/3; C 99/LIM/6)**

**14. Programme de travail et budget 2000-2001 (Projet de résolution) (C 99/3; C 99/3-Corr. 1; C 99/3-Corr. 2; CL 117/LIM/3; C 99/LIM/6)**

**14. Programa de Labores y Presupuesto para el 2000-2001 (Proyecto de Resolución) (C 99/3; C 99/3-Corr. 1; C 99/3-Corr. 2; CL 117/LIM/3; C 99/LIM/6)**

## **CHAIRPERSON**

Now we will move over to Item 14, which is the Programme of Work and Budget for the years 2000-2001. The relevant documents being C 99/3, C 99/3-Corr. 1, C 99/3-Corr. 2, CL 117/LIM/3 and C 99/LIM/6.

To start off the discussion, I would like to ask Tony Wade to introduce the Item.

## **Tony WADE (Director, Office of Programme Budget and Evaluation)**

Thank you for the opportunity of introducing the Item. I will limit myself to providing Members with the latest developments concerning certain aspects of the budget proposals. I would apologize to Members of the Council because much of this is pretty well a repetition of what I had to say at the Council, but there are Members of the Commission who have not heard the latest information.

The first point to be made concerns the impact of the exchange rate. Today the rate of exchange stands at about lire 1 877, or 0.969 Euro to the US dollar. The document you have before you is based on lire 1 800 to the dollar. The impact of this exchange rate variation will vary depending upon whether the Conference chooses to approve RG-Real Growth, ZRG-Zero Real Growth, or ZNG-Zero Nominal Growth.

Under the first two options, that is Real Growth and Zero Real Growth, the Conference will be approving a Programme of Work, without a specific nominal limit. The impact is to reduce the cost of that programme. The Conference would, therefore, receive an Appropriations Resolution revised according to the accepted methodology, reducing the requirements by approximately

US\$ 10 million. So the difference between 1 877 and the assumption in the document of 1 800 is to reduce the cost by about US\$ 10 million.

Therefore, an appropriation under Real Growth, for example, would fall to approximately US\$ 677 million and, under ZRG, to US\$ 655 million, US\$5 million over ZNG.

Under the third option, the accepted definition of Zero Nominal Growth is simply US\$ 650 million, which means that there would be no change to the appropriation. Instead, the additional US\$ 10 million would be released by a reduction in the cost of non-dollar-based expenditures, and would be ploughed back into the programmes. In line with the priorities previously expressed by Member Nations, the Director-General advises that, in principle, he would accelerate recruitment of those technical posts which are underfunded in the ZNG scenario and release additional resources to fully fund them as required.

He would also reinstate, in part or in whole, depending on the amount, the cuts made to consultants in travel resources, particularly under the technical programmes. He would also apply amounts, as necessary, to allow a more measured implementation of the structural changes now envisaged in both HQ and in the Regional Offices.

This may result in some adjustments between budgetary chapters, and if so, the Director-General would make specific proposals to the Finance Committee, as is required for their approval under Financial Regulation 4.5.

Turning now, if I may, to the payment of arrears. We still are not clear, but there is an increasing chance that there will be a large payment of arrears from the Major Contributor. We will not know for a few more days how likely that is, and we will not know for sure until the payment is made, of course. However, the likelihood is that there will be a payment in the biennium 2000-2001.

That is good news, but it does present a technical problem in that spending authority generally has to be authorized to meet the provisions of Financial Regulation 4.1. Financial Regulation 4.1 says the Director-General's authority to spend comes from the Appropriations Resolution, the US\$ 677 million or the US\$ 650 million, depending on what you approve, and he can spend up to that amount but not beyond. So, if we receive a large payment of arrears, not a normal payment of arrears, then there is a problem with the authorization to spend those amounts. In fact, if he did not have the authorization to spend it, whatever is surplus would go into a Cash Surplus and be redistributed to Member Nations, under the Provisions of Financial Regulations 6.1.

As a consequence of this possibility, the Secretariat has prepared a supplementary document, and its reference is CL 117/LIM/3, as mentioned by the Chairperson. The CL reference is not a mistake. It was a Council document first of all, and it is now being addressed to Conference, as we have plenty of copies of it. That includes a Draft Resolution authorizing the use of such funds in the event that they are received in 2000-2001.

Members who have had a chance to look at that document will see that the potential expenditure items listed are all of a one-time nature. I emphasize this because it is essential that a payment of specific arrears, being itself a one-time event, be applied to fund one-time costs and not to fund continuing expenditures, unless there is some explicit assurance that the continuing expenditures will be subject to additional funding from some other source, in 2002 and beyond.

The attention of Members is also drawn to the final clause of the Resolution concerning redeployment and separation costs arising from the implementation of the PWB 2000-2001. This clause has the effect of authorizing such expenditures over and above the Appropriations Resolution in advance of the receipt of arrears, so as to avoid delaying the implementation of the efficiency measures envisaged in the Programme of Work and Budget, as proposed. To be clear: the entire Arrears Resolution is based on the concept that if the additional funds are received, then you would be authorizing additional expenditures. If they are not received, you would not

be, with the exception of Item 1, which is a provision of up to US\$ 9 million for redeployment and separation costs. We are arguing we need advanced authorization of this amount so that we can proceed with the early implementation of the Programme of Work and Budget. Members are requested to give favourable consideration to the proposed Resolution.

Two other points which I will refer to briefly, both to do with restructuring: I made a longer intervention at the Council, but just a brief update on the status of the various efforts being made to improve the administrative efficiency of the Organization and, in fact, the clear need that we see now to strengthen the Financial Services Division, which has become apparent in the intervening period between the development of the Budget and today. However, this will be achieved through the conversion of either abolished general service posts, that is, converting them to junior professional-level posts, or through appropriate rebalancing of staffing between the business units in the Financial Services Division and the Central Management Support Structure. The point here is that the net budgetary effect will be zero, in that any additional costs will be offset by savings, but you must be aware there could be a change. We will, of course, report that to the Finance Committee in due course.

In a similar vein, as regards the rationalization of operational activities in the Regional Offices, we also reported the status of these rationalization measures, under the ZNG scenario, in paragraph 76 of the PWB. It is expected these exercises will have implications for Headquarters, where we will need to arrive at an optimum solution for coordinating the operational activities. Again, the Director-General's intention is to keep Members informed through reporting to the Finance Committee.

The Secretariat is available of course, as always, to respond to questions or clarifications. We look forward to the debate.

## **CHAIRPERSON**

Thank you, Mr Wade, for a very comprehensive introduction to the Item. I now open the floor for discussion.

Pakistan has the floor.

### **Adnan BASHIR KHAN (Pakistan)**

We congratulate you for being in the Chair for this important session.

We have extensively commented on the Programme of Work and Budget 2000-2001 during the Hundred and Sixteenth and the Hundred and Seventeenth Sessions of the FAO Council and do not wish to repeat ourselves, though we cannot avoid it either. We will try to limit ourselves these to bare essentials.

First, the perspectives of the Programme of Work and Budget 2000-2001: we see from the *State of Food and Agriculture*, document C 99/2, that overall ODA has declined and the share of agriculture in ODA has also declined. We have also noted from the Director-General's address to the Plenary that FAO's Budget has declined in real terms by about 10 to 15 percent over the past couple of biennia.

The two figures clearly show that FAO's resources are on the decrease and that there is a commensurate increase in agriculture programmes for other bilateral and multilateral assistance programmes. The fact is that there are fewer resources available for agriculture as a whole. The overall decline is to be compared with the demands placed on agriculture in terms of eliminating hunger and poverty. Meeting the needs of those affected by natural and man-made disasters, overcoming impacts of structural adjustment etc. and, last but not least, the requirements inevitably arising out of the implementation of the Strategic Framework 2000-2015.

We see a clear imbalance between our words and our deeds. We feel that there is no better opportunity than this Millennium Budget of FAO's to reverse the trend for 2000-2015.

Priorities: After seeing the two scenarios presented to the Hundred and Sixteenth Session of FAO Council, we indicated that more work needs to be done by FAO and we presented our priority areas as well. We would like to reiterate these in terms of the list provided in document C 99/3, pages 21 to 24. These are TCP, Chapter 4: Monitoring Land and Freshwater Resources, Strengthening Plant Biotechnology Activities, Technical Assistance on Trade Policy, Impact of Sanitary and Phitosanitary Measures, Small Island Developing States Programme and Improved Language Balance. In addition to these, we support the expansion of SPFS and FIVIMS in the specific context of food security. We list these more or less in an order of priority.

Efficiency: We view the pursuit of efficiency as an ongoing process. We fully support it though not necessarily through force, by imposing budget cuts or restricting budget levels. We are, therefore, in favour of the current examination of support cost and any other measures that would result in achieving well-considered and planned efficiency gains, as against deferred expenditures. In any case, budgetary transfers cutting into programme budgets must not be allowed.

Arrears: We continue to support the call for full and prompt payment of arrears and contributions by Members. We believe that any arrears received during the biennium 2000-2001 should be utilized to enhance priority, technical and economic programmes, particularly those identified in our priority list, even if these are to the extent of meeting one-time expenditures. We feel that there should be sufficient flexibility to allow for such use of additional resources.

The size of the Programme of Work and Budget: We come to the size of the Budget. The South African delegate, on behalf of the Africa Group, had very eloquently presented to the Hundred and Seventeenth Session of the Council, the case for an enhanced regular Budget and its importance for a strong, healthy and balanced FAO. We can only endorse this view. The Hundred and Sixteenth Council was presented with two scenarios: the Real Growth and the Zero Real Growth. There was an overwhelming support for the Real Growth scenario from the developing world. Many of us still maintain this viewpoint. However, only in a spirit of compromise we can agree to the Zero Real Growth scenario, with a clear understanding that any additional understanding forthcoming from savings, or from arrears, would be directed towards the priority areas identified.

We also wish to support the long-standing demand of the Near East Group for the restoration of post of Secretary of the Desert Locust Commission for the Central Region, as reflected in the report of the Hundred and Seventeenth Council Session.

Finally, we would need to know, as our colleague from Senegal pointed out this morning, whether there would be a mechanism which would assist in helping to finalize the recommendations on the Programme of Work and Budget 2000-2001 as we have decided in the case of the Strategic Framework to facilitate a consensus adoption of the Programme of Work and Budget.

#### **E. Michael SOUTHWICK (United States of America)**

The United States supports FAO and its mission. We are very happy that the strong leadership demonstrated by the Director-General will continue so that the resources available to this institution will be used wisely and well.

Despite favourable economic trends in many parts of the world, Governments everywhere are under pressure to meet all their obligations and priorities. The public wants more accountability, more efficiency and better results. In some countries, these concerns have resulted in cuts in domestic programmes, even the most politically-sensitive ones.

It is a tribute to the role and effectiveness of FAO that Member Nations want to maintain a high level of support for this Organization. In this effort, however, political and economic realities must be taken fully into account. This has been done in other major United Nations Agencies this

year. The ILO, WHO and Unesco have all adopted Zero Nominal Growth budgets. These organizations have made adjustments to ensure that their highest-priority programmes continue. With respect to the FAO, as mentioned by United States Secretary of Agriculture Glickman two days ago, we would propose that FAO review its allocation of resources among the agriculture, forestry and fisheries sectors. We would like Commission II to make that recommendation also.

We believe that it is strongly in the interest of FAO that a budget be agreed to by consensus. This helps avoid the contentiousness and division that would undermine this Organization. Consensus also ensures that the political support of Member Nations for the Organization remains intact. This is surely in the interest of FAO.

As many of you know, achieving a ZNG budget for FAO is a major priority for my Government. Another major priority is reform of the United Nations System Scale of Assessments. These would be part of a package of majors and reforms which would build support in the United States for the United Nations System.

As Secretary of State Madeleine Albright explained to her colleagues in New York several weeks ago, obtaining a package of reforms in the United Nations, including ZNG budgets in the Specialized Agencies, is not just a United States issue. It is a matter major importance for the United Nations itself.

We are grateful, and I say this most sincerely, for the patience, understanding and support of Member Nations these past few years, as the United States has attempted to square its accounts with the United Nations. This process has involved a broad-based effort among Member Nations to reform and renew the United Nations, an effort matched by United Nations leadership, especially from Secretary-General Kofi Annan and FAO Director-General Jacques Diouf.

As a result of this effort, we believe the United Nations System, including FAO, has emerged stronger and better equipped to face the challenges that confront all of us as we move into the next century. The key link now in ensuring that this reform and renewal process continues is a ZNG budget for FAO. We respectfully ask for your support for a ZNG budget resolution that can be adopted by consensus.

#### **TANG SHENGYAO (China) (Original language Chinese)**

The Chinese delegation welcomes the document C 99/3 prepared by the FAO Secretariat and other additional documents, and we also thank Mr Wade for the concise and clear introduction to this Agenda Item.

The Chinese delegation noted that since in 1995 when FAO started its reform in decentralization, certain progress has been made, and since the last Conference, Member Nations have put forward many objective and constructive suggestions through the leading advisory bodies.

The formulation of the Strategic Framework for 2000 and 2015 is almost complete. All this has been reflected in the Programme of Work and Budget for 2000-2001. We commend FAO for adopting new programme models in preparing this PWB for 2000 and 2001, and note that programmes are divided into three types, namely TP, CPs and TS.

The FAO Secretariat, based on the recommendations of the Programme and Finance Committees and those of the Hundred and Sixteenth Session of the Council, has made revisions and improvements to the PWB, and added substantive content for the ZNG scenario. The Chinese delegation expresses its satisfaction for these.

The Chinese delegation formally believes that FAO's PWB for 2000-2001 should be able to guarantee FAO to carry out its mandates and meet the growing needs of its Member Nations, and at the same time, full consideration should be given to the financial situation of Member Nations, and not to put too much burden on the Member Nations.

Since the World Food Summit in 1996, all Member Nations have attached greater importance to agriculture and food production, and FAO has also played an even more important role in improving global food security. Meanwhile, Member Nations have more requests for FAO and have also put more proposals and suggested new priorities. To realize these objectives and meet the growing needs of the Member Nations, we, the Chinese delegation, believe that the Zero Real Growth scenario is a practical and objective one for the 2000-2001 PWB of FAO.

Now, I would like to offer the following views with regard to C 99/3. One, China is quite concerned over the reduction of FAO income. Due to this reduction of income, including Miscellaneous Incomes for FAO, the added cost for the programmes will mainly come from the contributions of Member Nations. This, plus the adjustments in the Scale of Assessments for some Member Nations, has caused financial burdens for these countries. We urge FAO to take measures to increase the agricultural investments by international institutions and donor countries and increase FAO's income in order to reduce the costs to be shared by the Member Nations.

Two, FAO should further increase the share of TCP in its Programme of Work. Based on the Zero Real Growth scenario, the TCP budget will increase from US\$ 89.45 million from 1998-99 to US\$ 91.52 million for 2000-2001. Still, this makes its share in the total budget remaining at 13.76 percent. This is really a cause for worry. We, therefore, once again appeal to FAO to further increase its TCP budget to 17 percent of the total budget, as said before.

Three, FAO should gradually reduce its personnel-related costs and increase the technical and the financial assistance to developing countries. The Chinese delegation is pleased to note that in the PWB for 2000-2001, the General Policy and Guidance remains at its previous level. However, the total cost for personnel service has reached US\$ 495.88 million; this, plus other human resource items, will make the total cost stand at US\$ 628 million, accounting for 83.9 percent of the total budget. We believe that FAO's reforms and Decentralization should be reflected in the reduction of personnel service costs and that FAO should divert more resources to the technical and financial support for the developing countries in order to increase agricultural production and reduce hunger and malnutrition in the world.

Four, language balance issues must be addressed. The Chinese delegation noted with great concern that FAO's five official languages have not been used in a balanced manner in terms of meetings, publications and documents. In most cases, only one or two languages are used, which goes against FAO's Constitution. I would like, once again, to reiterate the importance of the equality of all five official FAO languages and their legal and just right to be used equally and in a balanced manner. Of course, we are glad to notice that in terms of policy and resources, out of the three scenarios of the PWB for 2000-2001, certain consideration has been given to the issue of language balance. The Chinese delegation believes this is a good start, but it is still far from being fair. Therefore, we urge FAO to give due attention to language balance and to make its priority to achieve language balance as soon as possible.

Five, in Programme 2.3, we believe more financial resources should be given to aquaculture so as to promote sustainable aquaculture development. With the global fishery development, fish farming is playing a bigger and bigger role in agricultural employment and in achieving food security. This has been proven by the facts. Therefore, FAO should increase its investment in this area. Unfortunately, in the PWB for 2000-2001, the budget for Programme 2.3.2 of Fishery Resources and Aquaculture is only US\$ 10.634 million, US\$ 80 000 less than the previous biennium. The amount for Land Resources and Aquaculture has been reduced from US\$ 5.856 million for 1998-99 to US\$ 4.525 million. This is really quite something for us to worry about. But what makes us worry even more is that Asia and the Pacific Region as an important fishery resource and production region in the world, has only US\$ 6.051 million out of the total US\$ 29.858 million, accounting for 20.3 percent only. This amount is far from what is really needed. We wish FAO to quickly do something to deal with this matter.

Six, Member Nations should pay their arrears as soon as possible. The Chinese delegation expresses its greatest concern over the current financial situation of the Organization. The root cause for this unfavourable financial situation lies in the arrears of the Member Nations. The Chinese delegation strongly appeals to the Member Nations concerned that rights should be matched by obligations and arrears should be paid as early as possible.

**Ms Małgorzata PIOTROWSKA (Poland)**

I would like to congratulate the Director-General and his staff for the very clear presentation of the three types of budget scenarios in the document. We are of the opinion that the Zero Real Growth scenario should be supported. Too many important activities would have to be sacrificed if one were to take up Zero Nominal Growth. We are also pleased to see that measures to further streamline the management of FAO to achieve savings are reflected under all three scenarios, while it is evident that efforts are made to maintain the substantive work of FAO to the extent possible.

However, we would have preferred to see the funds earmarked for increasing the use of secondary languages, rather than used for substantive activities. The fewer languages in use, the more economic and better.

With regard to Major Programme 2.1, Agricultural Production and Support Systems, my delegation wishes to emphasize the need for FAO to take the international lead in the use of biotechnology in agriculture. We believe that applications of biotechnology will be the key element for future enhancement of world food productivity and would like FAO to help clear up the many misconceptions that have arisen around the safety of biotechnologically-produced foods.

Food safety is an issue about which consumers are increasingly concerned, particularly with regard to pathogenic bacteria and other organisms that can cause many poisonings and diseases. There is also concern about the materials used to feed livestock, growth-promoting substances, as well as concern about lead and heavy metals, pesticide residues and novel foods. These are concerns where FAO must take the lead and issue warnings and guidelines for producers and consumers alike.

My delegation would like to put special emphasis on the key role FAO plays as an international leader in the effort to conserve plant and animal genetic resources. We are very pleased with the continued and effective cooperation FAO has with the International Atomic Energy Agency, and particularly with the establishment of a new joint international training and a Reference Centre for Food Quality and Pesticide Control. In this context, we give our full support to the work on nutrition, particularly to the cooperation with WHO in incorporating the very important *Codex Alimentarius Commission*. We are convinced of the significant role Codex can play in the upcoming Seattle Round of WTO Negotiations.

The central role of FAO in assembling and disseminating food and agricultural information needs to be stressed. It forms the basis for most agricultural policy decisions and forecasts. On fisheries, my delegation wishes to stress the importance of universal adherence to the *Code of Conduct for Responsible Fisheries*. We welcome the emphasis given by FAO to welcome forests as a major factor in conserving and sustaining wildlife and its utilization, as well as forest management and forest genetic resources.

On sustainable development, my delegation wishes to stress the need for an interdisciplinary approach for food security improvement in developing countries.

Finally, my delegation welcomes the priority placed by FAO on the role of women in rural development and food production, and the promotion of gender mainstreaming in all programmes of FAO.

**Ms Aulikki KAUPPILA (Finland)**

I am speaking on behalf of the European Community and its Member States. Given the major contribution of the Member States of the European Union to the FAO Regular Budget, we attach great importance to achieving a well-balanced and transparent Programme of Work and Budget, which ensures adequate resources to those activities which have been defined to be priorities within the mandate of the Organization. As the Budget is the most central tool for FAO's work in the next biennium, a proper focus is important, even though the present document has been prepared during a transitional period towards the new Planning Framework.

In the view of the EC and its Member States, certain areas are of high priority in the field of agriculture and rural development, fisheries and forestry, as they all are areas of vital relevance to FAO's central goals, areas where FAO has an important comparative advantage and thus can put its resources to the best possible use. These areas are the following, not in any order of importance: information work and promotion of research on food and agriculture, forest and fisheries; international forum for discussion and agreements; standard-setting activities, in particular under *Codex Alimentarius* and the *International Plant Protection Convention*; activities concerning the role of women in agriculture (this should be translated into a more extensive and mainstreamed integration of gender issues in FAO's activities); socio-economic and gender issues in rural development; assessment and conservation and sustainable management of natural resources for food, agriculture, forestry and fisheries, including the field of genetic resources; assistance to developing countries and countries in transition with regard to drafting sectoral policies including supporting, in the framework of the appropriate international organizations, the preparations for the forthcoming agricultural trade negotiations; work on emergencies, including forest fires, encompassing preparedness, early warning and rehabilitation within the Organization's mandate; implementation of the *Code of Conduct for Responsible Fisheries*, and regional activities such as combating animal and plant diseases where activities are needed in several countries.

At the Council meeting in June, we expressed our concerns on the allocation of Regular Programme resources between agriculture, fisheries and forestry, and asked the Secretariat to take into account the conclusions of the Ministerial Meetings and Technical Committees when working further on the Programme of Work and Budget. In this connection, we also expressed concern that the Regular Programme resources for administrative and management support activities were relatively too high. We still have the same concerns. We strongly urge that FAO takes into account the conclusions of the Ministerial Meetings and Technical Committees, namely the need for marked long-term relative changes in the political and economic importance of FAO's three main areas of competence to be reflected in a reallocation of the regular resources of our Organization, in particular in favour of fisheries and forestry activities. We are expecting that this reuse be reflected in the figures of the Resolution on the Programme of Work and Budget in this Conference.

To explain further our concerns, we were disappointed to notice that the main implications of the Ministerial Meeting on Fisheries for the Programme of Work and Budget seem to have been degraded to the level of possible Trust Fund activities. There is not even a reference in the PWB to the highly political matter of a *Plan of Action* to deal with illegal, unregulated and unreported fisheries, or the implementation of the three Plans of Action agreed on at the Committee on Fisheries in early 1999.

We are also concerned about the status of forestry in the Organization. The vital role of forests in the economic and social sectors of countries, and the multiple-use approach of forest management are more and more recognized all over the world. The ongoing IFF process and the growing importance of sustainable utilization and conservation of forests in view of carbon sequestration, sustainable rural development, as well as soil, water and biodiversity conservation,

in our view, make forestry particularly relevant for FAO. Our concern is based on the fact that highly-prioritized activities such as Forest Resources and Forest Policy and Planning, are heavily dependent on Trust Fund financing.

We repeat our call made at FAO's Hundred and Sixteenth Council in June that the Special Programme of Food Security be evaluated by using the framework of the New Programming Model.

In general terms, there seems to be a move towards an increased importance given to normative activities in the Regular Programme. We particularly appreciate the increased focus of overall operations and field activities on the complementarity of policy and normative work and of field assistance and operational activities. As the complementarity of normative and operational activities is of utmost importance, also the activities of the Technical Cooperation Programme should be clearly-defined, and the transparency of this Programme should also be improved.

These observations make us think that the Programme of Work and Budget lacks a necessary establishment of priorities and, in addition, some needs expressed by Technical Committees are placed outside of the Regular Budget, and thus depend on possible extra-budgetary resources.

The priority activities, which have been clearly identified by FAO's Governing and Technical Bodies, including efforts towards the improvement of language balance, should be integrated into the central part of the Programme of Work and Budget, and thus not depend on additional resources.

In order to find room for funding these priority activities from the Regular Budget, more prioritization is needed. We hope that the new model of the Medium-Term Plan will help in this task. We welcome the savings identified in the Programme of Work and Budget, as well as the links and partnerships mentioned under each programme entity.

However, we find that there is still significant scope for efficiency savings, and we note that several of the proposals, which we made in the June Council, have not been reflected in the present Programme of Work and Budget. We gave some further proposals for savings last week in the Council; I am not going to repeat them here. Instead I would like to move now to the Draft Resolution presented by the Secretariat on the Use of Payments of Arrears.

In our view, it was submitted at a very late stage so it is a little difficult for Member States to formulate exact views and opinions on the proposal, and we regret the situation. In general, we think that funds allocated for the Organization should stay there. However, we find that it would be premature to decide on the use of funds that have not been received yet. We do not know what amount really will arrive, and we do not know the date either. We cannot know, either, what might be the priorities or the date the funds are here, so we find that we would need further consideration by the Finance Committee and the Council when we know what the amounts arriving really are. So, these are our first thoughts on the Draft Resolution.

#### **Asmani ALBANO (Tanzania, United Republic of)**

It gives Group of 77 great pleasure to see you directing the discussion of this very important Agenda item. I will restrict myself to a few items, starting with the three famous scenarios of the Budget.

The Group of 77 does understand that unfortunately some donors have already decided against the Real Growth scenario. We are saying this because we were anticipating some understanding of even opening discussion as to why we would have preferred the RG. Nevertheless, Zero Nominal Growth according to our Group is verified as negative growth. It is negative growth because we are of the view that Zero Nominal Growth has got the following problems. One, it is counter to the World Food Summit's basic objective of reducing global malnutrition and poverty. We are also of the view that it is thus contrary to the philosophy and purpose of this noble

Organization. It has a negative effect on core activities such as Chapter 1 and Chapter 3.1. Field operations will also suffer.

The Group of 77 intends to adopt an open, responsible, realistic and reasonable approach, striving for balance between what we need and what needs to be done by FAO. The Group of 77 supports the ZRG, Zero Real Growth, because it provides for social, economical and moral need to reduce global hunger and poverty, as outlined in the World Food Summit Plan of Action, and highlights the fundamental importance of agriculture in the rural economy for growth and development in developing countries, and especially the in LDCs.

Globalization and marketing valorization are presented to developing countries with new uncertainties, challenges, risks and social costs. Additional assistance, therefore, is needed to help the G-77 Member Nations to overcome such obstacles and to enable us to benefit from globalization and marketing valorization.

While the magnitude and causes of global poverty and food insecurity remain, the level of ODA and investment in agriculture is still severely lacking. This Organization is unique within the UN System in facilitating the transfer of agricultural information, technology, and development know-how to and between developing countries. I am sure we all share the view that the interest of all Members, developed and developing countries, lies in having a strong, dynamic, flexible FAO which can respond effectively and efficiently to Members' needs.

The G-77 believes that the Zero Real Growth is an attainable level of budget if we are serious and committed to fulfil what we are required to do. The G-77 believes in fact that, because of the other important programmes and projects which this Organization has been requested to undertake – and is being requested to undertake by the policy organs of the Organization – we could find the possibility of even going a little higher than the ZRG, as we call ZRG plus, basically to achieve the following.

One, we have activities where we need to monitor land and freshwater resources quality and utilization, enhance the implementation of FIVIMs at national and international level, study the impact of sanitary and phytosanitary measures on international trade, and provide technical assistance to developing countries on trade policies.

The G-77 takes very seriously the question of arrears. I wish to assure this house that the G-77 is committed to deal with arrears in a responsible manner. For some of those who have arrears, we believe it can be sure that they have very genuine reasons for them, and their reasons can be distinguishable without any dispute from other reasons.

We do support the request for a Secretary for the Desert Locust Commission for the Central Region. I see no real problem there. This particular question should be met with a positive attitude.

On the language question, I think there is need to facilitate proper participation in meetings, and you cannot do that if some people are not able to communicate with the language they are more capable of communicating with. So, the language balance is something which should be taken seriously.

Mention has been made here about the Resolution on the use of Payment of Arrears. Let me say that the G-77 is very pleased and happy to hear that some money is forthcoming from some outstanding arrears. Now, on how to use those arrears, I believe that the Organization has outstanding activities which are not executed because of the lack of resources, because of those arrears. Now, is it possible that something be considered so that those arrears are put to use for what they were originally intended. I understand, I hope my understanding is correct, that one way of getting back money from the Organization is to make an early payment, rather than a late payment.

**Mohammad MEJBAHUDDIN (Bangladesh)**

I would like to thank the Secretariat for the document on the Programme of Work and Budget 2000-20001.

We are all aware that FAO has been subjected to budget cuts, for the last two biennia in a row. The Organization has managed in the past to tide over the source crunch through major administrative reforms and efficiency savings and thanks to the management, the major technical programmes were protected from budget cuts. However, we feel that there is a limit up to which this belt-tightening can proceed further.

My delegation strongly believes that a Real Growth budget level for FAO in the next biennium would be an appropriate response to the needs of the Members which have been expressed in the various Technical Committees and the Ministerial Meetings held this year. If we fail to provide enough resources to FAO through its Regular Budget, the developing country Members will certainly lose some interest in its future deliberations. However, taking into account the prevailing situation in some of the major donor countries, we would suggest that a consensus be reached around ZRG budget for the next biennium.

Some of our specific comments on the budget documents are as follows. Firstly, we thank the Director-General and the members of the top management for protecting the major technical programmes, TCP and the SPFS, from major cuts under various scenarios.

Secondly, we greatly appreciate the introduction of the new Programming Approach across all major programme categories under Chapters 2 and 3. However, in our view still, the main focus of the technical entities seem to be on outputs, though in some cases there are articulations of Medium-Term outcomes. We encourage FAO to further develop outcome and impact measures of various technical programmes and further pursue development of verifiable effectiveness criteria.

Thirdly, we strongly support FAO's proposed future work in the next biennium on various technical programmes under Chapters 2, 3 and 4. More specifically, we value highly FAO's programmes and projects on SPFS, TCP, IPM, the Soil Fertility Initiative, Plant and Animal Genetic Resources, works related to IPPC, Prior Informed Consent Procedures for pesticides, and biotechnology, under Chapter 2. Under Major Programme 2.2, we strongly support works related to GIEWS, FIVIMs, Monitoring and Implementation Assistance to Member Nations of the World Food Summit Plan of Action, and policy assistance to LDCs in agricultural trade matters for helping them to integrate more fully with international trade.

Fourth, Fisheries generally provide one of the important avenues in LDCs for off-farm and planning opportunities, and income generations which are so vital for improving food security. Aquaculture has the great potential to help in this regard. However, we note with regret that resource constraints will not permit full utilization of programmes in this sector. We also agree that implementation of the *Code of Conduct for Responsible Fisheries* should be one of the top priorities for the Organization in the next biennium.

Fifth, we also give importance to the work of FAO's Investment Center, whose utility to the LDCs has been underlined on many occasions.

However, we note with concern the reduced programme outlays for programme entities 2.2.4 S.1, Technical Support Services to Member Nations and the Field Programme. We also regret the fact that not enough has been earmarked for the biotechnical programme.

We would like to seek clarifications on two aspects. Firstly, during the last meeting of COAG and in other relevant meetings, there was agreement as to the utility of promoting organic agriculture as a means of not only encouraging sustainable productive practices but also of assisting developing countries to exploit opportunities for these kind of products. Although

paragraph 37 of the document indicates that FAO will undertake work on organic agriculture under Major Programme 2.1, no technical project, that is now termed TP, seems to have been prepared for this important work.

Secondly, we are not very convinced of the rationale for undertaking two separate TPs, that is, 2.1.2 A.2, Urban and Peri-urban Agriculture, and 2.1.4 A.2, Meeting Urban Food Needs, while both have the overlapping objectives of meeting food production and marketing needs of agriculture in urban areas. We should appreciate the Secretariat's explanation on this.

To conclude, my delegation would ask the top management of FAO to continually explore avenues for more cost-effective ways to implement the goals, objectives and programmes of the Organization, and to demonstrate in clear terms the relevance and utility of FAO's work for the elimination of food insecurity in developing countries. It would also be vital for the Organization to keep a harmonious balance and synergy between its normative and field operations.

**Reda Habib I. ZAKI (Egypt) (Original language Arabic)**

I will be extremely brief, particularly since the representative of Pakistan and then the representative of Tanzania, on behalf of the Group 77, with a great deal of eloquence, have in fact stressed all the issues which are of interest to Egypt, the Near East and Group of 77. I would like to endorse what they have said, as well as their point of view.

But, I would like to stress two points which have been raised, namely the Desert Locust Commission for the Central Region and the need of filling the post of Secretary of this Commission, as well as to ensure that all working languages have the same footing in the Organization. This indeed is something that was also mentioned by the delegate of China in his statement.

**Ms Fatimah HASAN J. HAYAT (Kuwait) (Original language Arabic)**

I am very pleased to see a woman in the Chair of a Commission for this Organization. This indeed shows that we are growing close to full implementation of one of our objectives, that is to say, the quality of both the sexes in all areas. This is something we have been able to bear witness to since the beginning of the present Director-General's mandate.

I would also like to thank the Secretariat of FAO for the documents that have been prepared for us. I particularly address my thanks to Mr Wade, who, in fact, has accustomed us to perfect mastery of his particular field of competence.

My colleague from Pakistan, who spoke before me, has already covered a number of issues I wished to cover in my statement as a Member of the Council of this Organization. These issues have already been discussed. They were discussed at the Hundred and Sixteenth and Hundred and Seventeenth Sessions of the Council. With your permission, I would like to make a brief comment on an issue of particular interest to our area.

We are very much afraid to see reductions in the Budget for this Organization, and our fears appear very clearly in some of the programmes of the Organization for the Near East. I will not go into detail, I will not generalize, but we know that the very small resources available for the Regular Budget and the very small extra-budgetary resources have had a negative impact on some programmes, and as I said a little earlier, I will not go into detail because a number of delegations that have spoken before me have already mentioned this. In Arabic, we say that it is preferable to sum up in order to go straight to the knob of the matter.

My colleague from Pakistan, and also the representative of the Group of 77, and my colleague from Egypt, have stressed the points which are of interest to my Region, particularly the need to guarantee a balance in the utilization of the working languages of the Organization. We are referring here, more specifically, to the Arabic language. As we have done in the past, on several

occasions we have addressed this request to the Director-General, and we hope that this will be taken into account in the present Budget for the Organization.

Second, I should like to associate myself with what has been said by the Representative of the Near East Region, to fill the post of Secretary of the Desert Locust Commission for the Central Region, and we hope this post will be included in the Budget of the Organization within the framework of the Programme of Work and Budget for the years 2000-2001, as mentioned in paragraph 55 of document C 99/LIM/4.

May I also take this opportunity to reaffirm that my country's delegation cannot accept a budget unless it is Zero Real Growth budget, so that we may be in a position to execute programmes in the Region and to benefit the developing countries in general. The Representative of China said in his great wisdom that this Organization, having proposed three scenarios for the Budget, should not increase the burden for developing countries. I think this should give us inspiration in our work because it has great significance. This Organization should work within its resources and at the same time try to satisfy everyone. The available resources at the disposal of the Organization should be distributed so as to ensure the implementation of objectives in the Regular Budget and the Organization should attempt to obtain extra-budgetary resources to be able to finance technical programmes, if possible.

**Kazuo TANAKA (Japan)**

As our delegation is taking the floor for the first time, allow me to congratulate Madam Chair for chairing this important Session. We would like to touch upon three areas under the present Agenda Item of the Programme of Work and Budget 2000-2001.

First, on the substantive programme under Chapter 2, second, Level of budget, and third, Draft Resolution for the Use of Cash Surpluses.

First, I would like to offer a specific comment on Chapter 2, Major Programme 2.1 Agricultural Production and Support Systems. We support and recognize the important role of FAO in conservation and sustainable use of genetic resources, PIC procedure for the better management of certain chemicals and the prevention and disposal of obsolete pesticides.

The Major Programme 2.2, Food and Agriculture Policy and Development, is the highest priority in the agricultural field, encompassing nutrition, food and agriculture information and agriculture policy and development. We strongly support the work of the *Codex Alimentarius Commission*, FIVIMS, GIEWS and assisting Members in the context of FAO-related aspects of Multilateral Trade Negotiations.

In the Major Programme 2.3 Fisheries, we feel that fisheries is the truly comparative advantage of FAO, and highest priority should be given to the implementation of the *Code of Conduct for Responsible Fisheries*, development of more appropriate ecosystem approaches to fisheries development and the implementation of Plans of Action for the management of fishing capacity.

In Major Programme 2.4, Forestry, we strongly recommend that FAO expand its work on interaction between wildlife resources and forest management, including crops, in close cooperation with the Secretariat of the Ramsar Convention.

In Major Programme 2.5, Contributions to Sustainable Development and Special Programme Thrusts, we recommend FAO's efforts in mainstreaming the gender dimension in all activities.

Regarding overlapping programmes, there seems to be a number of overlapping programmes among different departments or even in the same department. We might have identified a couple of such programmes. They are sub-programme 2.5.2.P.1 and FIVIMS, or GIEWS, sub-programme 2.5.1.P.3 and sub-programme 3.1.1.P.3, and sub-programme 2.1.1.P.7 and technical project 2.1.4.A.5. Through synergies and consolidation between both programmes concerned,

resources could be saved under these activities, thereby transferring surplus funds to other high-priority programmes.

I would like to touch upon the Oracle system and seek clarification from the Secretariat. We highly appreciate FAO's Secretariat's proposal for adjustments to organizational structures in administration and operational areas, and the related anticipated savings through early implementation of the Oracle system. In this connection, I would like to seek a point of clarification from the Secretariat with respect to the potential impact of the implementation of the Oracle system on FAO's work in the short term and in the longer term, bearing in mind a lesson learned from the previous software system, FINSYS.

Let me turn to the issue of level of budget. During the last Council Session we made three points on this issue, bearing in mind that Zero Nominal Growth is our preferred option. Namely, we must all be aware that many Member Nations, including Japan, have exercised belt-tightening measures in their public expenditures, with no exceptions in this regard for the international organizations, such as FAO.

Second, this measure contributed to the rationalization of organizational structure and improvement in efficiency and effectiveness.

Third, the Japanese Government has made, and will continue to make efforts in increasing extra-budgetary funds for the programme implementation.

On the Draft Resolution on Authorization to Utilize Resources Arising from the Payment of Arrears, the third sentence of the Draft Resolution reads as follows: "The Director-General has, as a consequence, been unable to accommodate a number of important capital and other one-time expenditures under any of the proposed budget scenarios, i.e. Real Growth, Zero Real Growth or Zero Nominal Growth." This indicates that the budgetary requirements of say, US\$ 40 million as proposed, had been researched already at the time of formulating the three budget scenarios, but the budget was not presented to the Finance Committee for its consideration. It seems to us that this is against the principle of Financial Rules which require any proposed appropriation to be first considered by the Finance Committee, and then by the Council, before being authorized by the Conference.

Second, during the last Council Session, our delegation raised a question of priority in the ten items listed in the proposed Resolution to which the Secretariat clarified that there was no priority as such, though they insinuated that, in terms of timing, the urgent need would be the payment of redeployment and separation costs. It seems to us that this is again a deviation from the normal practice that the outlined budget is proposed for and considered by the Programme and Finance Committees early in the Conference year and the Summary Programme of Work and Budget to be considered by the Council not less than 90 days before the opening of the Conference.

Third, our delegation wishes to draw the attention of fellow delegates present here, to Financial Regulation 6.16, which says that "required estimated cash surplus shall be allocated to Member Nations in accordance with the Scale of Contributions". As clarified by the Secretariat during the last Council Session, this means that about US\$ 10 million returned to the major contributor, US\$ 8 million to the second largest contributor and so on. This is the magnitude we are discussing now, and a total budget was saved of US\$ 40 million which, added even to the Zero Nominal Growth scenario, would be well over the level of Real Growth Budget.

In summing up, we share the views expressed by the European Union delegate, that the Draft Resolution of the Secretariat on the Use of Payments of Arrears was submitted at a very late stage, and expenses provided for should be checked by the Finance Committee and the Council before they, or some of them, are authorized.

Having said that, and being sensitive to many Members' wishes for other scenarios than Zero Nominal Growth, we are prepared to discuss with other colleagues in a certain mechanism, if I am not mistaken, suggested by the delegate of Pakistan, to reach an agreement on the Programme of Work and Budget 2000-2001.

**José ROBLES AGUILAR (México)**

La adopción del presupuesto de una institución conlleva ante todo una decisión política, en cuanto representa la provisión de los instrumentos para la aplicación de un determinado plano. Durante los últimos bienios hemos aprobado niveles de gastos que han conducido a afectar actividades importantes de esta Organización. Por otro lado, sin embargo, reconocemos también que se han hecho importantes esfuerzos para aumentar la eficiencia y lograr ahorros. Queremos reiterar el principio de que se otorgue una importancia similar a las actividades operativas y normativas. Apoyamos lo expuesto en tal sentido por la Unión Europea.

Deseamos señalar también la importancia de que se establezcan prioridades, en sectores como la pesca, en particular la aplicación del Código de Conducta para la *Pesca Responsable*, sobre el cual muchas delegaciones lo han planteado como un área prioritaria, así como otros sectores como bosques, *Codex Alimentarius* y recursos fitogenéticos.

Permítame señalar algunos puntos específicos de la propuesta del programa bianual de esta Organización: sobre el Capítulo 2, Programas Técnicos y Económicos, estimamos que resultan fundamentales los programas relativos al desarrollo tecnológico, normalización de productos agropecuarios, sanidad agropecuaria y desarrollo rural. Por lo que respecta al Capítulo 3, Cooperación y Asociaciones, consideramos que es un rubro en que la FAO realiza y debe continuar sus esfuerzos a fin de conjugar acciones y recursos de organismos financieros internacionales y de países desarrollados, ya que es importante acrecentar los recursos oficiales de asistencia al desarrollo en favor de la agricultura. Sobre el Capítulo 4, Programa de Cooperación Técnica, es importante reiterar la relevancia del mismo para los países en desarrollo. El PCT, en el caso de nuestro país, es muy importante ya que no sólo nos permite atender algunos temas importantes, sino que además fortalece nuestra capacidad de cooperación con países de menos desarrollo que el nuestro.

Finalmente, estimamos importante que se brinden los recursos necesarios a la Organización para que ésta siga realizando de manera adecuada las actividades que los Estados Miembros le hemos encomendado.

**I. Nyoman ARDHA (Indonesia)**

Our intervention will be very brief. We would like to associate our delegation's views with what has been elaborated eloquently by the distinguished delegate of Tanzania, on behalf of the G-77.

Indonesia, as an agricultural country, will always support FAO's mission and will always encourage FAO to have more field activities to support the agricultural development needs of the developing countries.

Having said that, once again our delegation strongly supports the Zero Real Growth scenario for the Programme of Work and Budget for the coming biennium to enable FAO to implement its mandate and a reasonable field programme for the developing countries.

**Khairuddin Md TAHIR (Malaysia)**

My delegation supports the positions of the speakers before me who call for sufficient resources to be made available at the disposal of FAO for the next biennium, in light of continuing global problems of hunger, malnutrition and poverty. Specifically, Malaysia endorses the Zero Real Growth budget level for FAO, bearing in mind the imperative need to strengthen multilateralism to overcome these ongoing problems and challenges.

My delegation will continue to support priority programme areas such as conservation and sustainable development of genetic resources, both plant and animal genetic resources and upgrading legal and technical capacities for Member Nations in the implementation of international protocols and conventions relating to food standards, biosafety, sanitary and phytosanitary measures, as well as international trade.

Malaysia also supports programmes, programme priorities in forestry, in particular downstream wood-based activities, fisheries, especially aquaculture, and sustainable farming systems, including organic agriculture.

**Mohammad Saeed NOURI-NAEENI (Iran, Islamic Republic of)**

Let me start by welcoming you as the Chairperson of this Commission. To be brief, I fully endorse what has been said by the distinguished Chairman of the Group of 77 and by the distinguished delegate of Pakistan, and I have only a few points to add.

We have been presented with three scenarios, which are Real Growth, Zero Real Growth and Negative Growth. The third one has been described under the title of Zero Nominal Growth. The poor need income and food, both of which are real. We do not have such a thing as nominal food or nominal income. Hungry people need real food and this means real growth. In other words, the ZNG scenario means negative growth, and this means less food and more hunger, which is in sharp contrast with the commitments of the heads of our Governments and state made here in this very same building just three years ago, one of which is the reduction of the number of undernourished people by half by the year 2015.

In Council last week, some delegates argued that the ZNG budget has been approved for WHO, and we also should accept a similar budget. This means that since the poor have less health we should give them less food as well.

My delegation believes that in any account, the Zero Negative Growth, or the ZNG, is unacceptable if you have any faith in our pledges made in the World Food Summit. ZRG is the absolute minimum which my delegation agrees to.

Finally, if somehow additional money becomes available we strongly recommend the establishment of a Sub-Regional Office for Central Asia, as is proposed in page 24 of the Programme of Work and Budget.

**Juerg BURRI (Suisse)**

La délégation Suisse remercie le Directeur général de l'Organisation pour l'alimentation et l'agriculture pour son Programme de travail et budget pour les années 2000-2001. Le niveau proprement dit du budget est l'un des thèmes principaux de notre débat. Ma délégation est consciente de l'importance des tâches de la FAO. Nous veillons donc soigneusement à ce que soit donné à l'Organisation les moyens pour être en mesure de contribuer à la sécurité alimentaire mondiale et à la réalisation des obligations prises lors du Sommet mondial de l'alimentation.

C'est avec un très grand intérêt que ma délégation a étudié le rapport du Secrétariat présentant les options du budget. La FAO a besoin de ce que plusieurs délégations ont déjà recommandé: fixer des priorités claires pour les activités et les programmes. Cette approche permettra à l'Organisation d'augmenter son efficacité tout en faisant des économies. Cette approche s'intègre dans les efforts communs faits dans beaucoup d'Organisations internationales. Etant donné ce fait et vu que le taux de change entre Lires et Dollars se développe d'une manière favorable, ma délégation estime que la FAO doit pouvoir faire avec un budget Croissance Nominale Zéro.

**Kiala Kia MATEVA (Angola)**

Je voudrais, au nom de ma délégation, vous féliciter pour la manière dont vous conduisez les débats de cette importante Commission. Je voudrais également féliciter Monsieur Wade pour la présentation du document sur le PTB. Plusieurs délégations qui m'ont précédé se sont prononcées

sur le Programme du travail et budget 2000-2001. Pour ne pas m'attarder à répéter ce qui a déjà été dit par ces délégations, ma délégation souscrit pleinement et appuie les déclarations du délégué de la Tanzanie, qui a parlé au nom du Groupe des 77, pour un budget à Croissance Réelle, ou alors dans un esprit de compromis minimum, pour un budget à Croissance Réelle Zéro. Je voudrais faire mienne la déclaration du Mexique qui a insisté sur l'importance du PCT favorable aux pays en développement.

Nous sommes conscients de la situation financière dans laquelle se trouve notre Organisation. Si nous voulons que la FAO s'acquitte de ses obligations et réponde aux besoins sans cesse croissants des États Membres, nous devons mettre à sa disposition des ressources assez consistantes, par conséquent nous devons déployer des efforts immenses pour payer nos contributions.

En ce qui concerne l'utilisation des excédents, des arriérés, nous pensons que cet excédent pourrait être utilisé par notre Organisation pour réaliser les programmes et autres projets qui n'ont pas pu être exécutés, faute de ressources. Par conséquent, nous demandons au Secrétariat d'établir une liste de projets ou programmes par ordre de priorité qui pourront bénéficier de ce financement.

#### **Mlle Aïcha RHRIB (Maroc)**

Ma délégation voudrait remercier le Secrétariat pour son projet de budget qui fait preuve d'efforts sérieux afin de rencontrer les impératifs d'austérité qui s'imposent actuellement. Ma délégation voudrait se rallier à ce qui a été dit par le Représentant de la Tanzanie, qui est intervenu au nom du Groupe des 77, pour appuyer la proposition du Directeur général pour le Programme de travail et budget 2000-2001, sur la base d'une Croissance Réelle Zéro, conscient du fait que la situation actuelle n'offre pas d'autres alternatives.

Après examen et étude du Programme et budget 2000-2001, ma délégation propose à la FAO: d'inclure; dans la rubrique "Femmes et Population", des actions visant la promotion du statut organisationnel des femmes rurales, à savoir les associations féminines, les coopératives; de prévoir dans la rubrique "Développement rural", des actions de promotion de projets intégrés visant notamment l'équipement du milieu rural en infrastructures de base; d'intensifier la collaboration entre les secteurs des forêts et ceux de l'agriculture, de l'environnement, de la mise en valeur des zones de montagne et du développement rural en général. Il est indispensable d'adopter une démarche intersectorielle pour la gestion et la conservation des forêts.

Elle propose également de renforcer les capacités nationales en matière de politiques et d'institutions forestières et soutenir les programmes forestiers nationaux. Dans ce cadre, la FAO doit assister et accompagner les pays disposant de programmes forestiers nationaux dans la mise en oeuvre et le suivi de ces programmes. Quatrième proposition: la délégation marocaine propose de procéder à une large diffusion du rapport relatif à la situation des forêts du monde "SOFO" qui résume à l'échelle mondiale et régionale les informations disponibles sur les ressources, la production et le commerce des produits forestiers.

#### **Saad Ben Abdallah KHALIL (Saudi Arabia, Kingdom of) (Original language Arabic)**

I wish to thank all those who were involved in the preparation of the Programme of Work and Budget. Two points, which were referred to by Egypt and China, are echoed by ourselves. They were also referred to by the Representative of Kuwait. The first subject, which is of interest to all of us, that is, the combating of desert locusts. We know about the importance of desert locusts and the role of this combat in the context of food security. Once again, we need to ensure that the post of Secretary of the Desert Locust Commission for the Central Region be filled, because this serves thirteen countries in the Region, and the budget should indeed foresee such a post of Secretary.

The second concerns the balance in the use of the languages of the Organization. I refer particularly to Arabic, both at Headquarters and in the field, and this concerns also the appropriate publications and their translations into the various languages. We propose that funds be made available within the Regular Budget for the use of the Arabic language.

**Ranamukalage Deeptha KULATILLEKE (Sri Lanka)**

This is the first intervention by the delegation of Sri Lanka. Sri Lanka joins others in congratulating you in directing this important meeting.

The Sri Lankan delegation also appreciates the work done by the Secretariat in producing this very clear and concise document, and also the seriousness shown throughout this document.

We believe that whatever budget scenario is adopted by this Conference for the next biennium, it is important not only to protect the current level of technical programmes of FAO but also to increase the number of field programmes if you are to address the food security concerns as expressed in the World Food Summit of 1996. At the same time, as the distinguished delegate of Tanzania and our representative mentioned in regard to the arrears payment and the resulting surpluses, we also supported the idea made by the distinguished Representative from Japan, the importance of *Codex* activities, and as discussed in the morning in the Programme Evaluation Report, there is also reference to the setting up of a Trust Fund. We do not know whether this is possible to consider utilising these funds to form that Trust Fund.

**Bill DOERING (Canada)**

Again, there are five points that Canada would like to raise, and they refer specifically to the budget scenario; the redistribution of resources between agriculture, fisheries and forestry; the list of activities protected from resource reductions; the issue of the payment of arrears and FAO's role in the present debate on the subject of biotechnology.

As we indicated earlier in Council, Canada continues to feel fiscal prudence and good corporate management within the FAO. We believe that scope still exists for making the necessary economies to deliver the needed programmes, and still do that within the ZNG budget.

The Canadian Government domestically is living with less than a ZNG budget, and we therefore consider it reasonable that you do so as well. Thus, we ask and continue to pursue that option of ZNG at the FAO. We seek a budget that maintains appropriations within the current levels, and we continue to promote management reform.

With respect to the distribution of resources between agriculture, fisheries and forestry, we are concerned that the priorities of Fisheries and Forestry Ministers are not reflected in the proposed budget. And again we feel this could be done within the context of ZNG. There should be a redistribution of resources within the Budget, but with a greater share going to Fisheries and Forestry. Specifically, we believe that FAO has a distinct advantage in the Fisheries area and is the only truly global body that can make a contribution to international Governments. With respect to Forestry, the inadequate support the Organization currently provides is inconsistent with the growing attention that forests are receiving worldwide since UNCED.

Concerning activities protected from resource reduction, Canada agrees with the list Protected from Resource Reductions. They include *Codex*, fisheries, forestry, genetic resources, women in development, International Plant Protection Convention, FIVIMS and support to Multilateral Trade Negotiations.

We also noted that while major programmes were described according to the new Programming Model, which stresses results and time-bound outputs, many of the specific programme elements still were described in the previous fashion, which only focused on outputs and not on the results or impact.

Turning to document CL 117/LIM/3, Authorization to Utilize Resources Arising from Payment of Arrears, Canada's position on the use of arrears is indicated under FAO Regulations 6.1, subparagraph b, and that is quite clear. Cash surpluses, once loans to funds and the accumulated deficit are paid off, are distributed back to the Membership in the proportion they were paid, as is done in other UN Organizations, like the International Civil Aviation Organization. Countries contributing to a surplus should share in the redistribution of that surplus.

Canada is also particularly concerned with the component calling for US\$ 9 million to fund redeployment and separation costs relating to the implementation of PWB 2000-2001. FAO is proposing to use the surplus to pay the redeployment and separation costs irrespective of whether payment of arrears is actually received. These are not one-time cash outs. They will occur each time staff are separated or reduced. We believe that those costs should be included within the regular Budget.

Our last point relates more to the Programme of Work, rather than the Budget. In the Programme Committee, Canada stressed the need for FAO to make a more proactive, more authoritative contribution to the ongoing debate on the role of biotechnology in general and genetically-modified organisms specifically. The debate currently contains elements that are sometimes confusing, distort the facts, are not only objectives and may confuse rather than clarify the issue.

The Membership looks to FAO as an objective source of information on science as it relates to agriculture and food. We believe the Organization must be more involved in this debate as soon as possible, with clear explanation of scientific facts and available evidence. This is the role we look to FAO to play.

#### **Yohannes TENSUE (Eritrea)**

Eritrea strongly supports the views that have been articulately presented by the distinguished delegates of Tanzania and the Islamic Republic of Iran. If FAO is going to implement its vital programmes, like the Special Programme for Food Security, TCP and TCDC, the minimum Budget that is needed for the next biennium to 2000-2001 is ZRG, that is Zero Real Growth.

#### **CHO Il-Ho (Korea, Republic of)**

At first we would like to recall that our delegation expressed our opinion on the Budget scale for the next biennium at the Hundred and Seventeenth Council. We are of the view that FAO still needs to keep on making efforts towards more efficiency savings and effective budget operation and management.

Taking into account the effectual reality that the Assessed Contributions of Member Nations in arrears have increased in recent years, as stated in the document, it would be undesirable that the budget level of the Organization for the next biennium be set over the level that Member Nations could actually contribute to the Organization, under the given fiscal situations.

In addition, the problem is compounded because several regions of the world have yet to recover from economic recessions attributed to the spillover impacts of financial crisis. Therefore, our delegation would like to suggest that the budget level for the next biennium should follow the same direction as the previous budget level.

#### **Renaud COLLARD (France)**

Ma délégation souhaiterait intervenir très brièvement en faveur de la recherche d'un certain effort financier de la FAO et donc, par voie de conséquence, des États par rapport aux dernières années qui ont été caractérisées, notamment par la stagnation au niveau financier. Ma délégation, en conformité d'ailleurs avec ce qu'a déclaré le Chef de la délégation française ce matin en séance plénière, se fait ainsi l'avocat, après plusieurs autres délégations qui sont également intervenues ce matin comme elles étaient déjà intervenues au cours du précédent Conseil de juin dernier, en

faveur de l'adoption d'un budget qui tendrait vers la Croissance Réelle Zéro et qui pourrait, éventuellement, être l'objet d'un consensus.

Cette recherche de consensus doit se faire évidemment dans le plein respect des priorités, qui ont notamment été rappelées par la Présidence de l'Union européenne ce matin, à savoir, que ces priorités devraient être aussi bien intégrées dans l'hypothèse d'un budget en croissance nominale zéro que dans l'hypothèse, qu'encore une fois nous jugeons réaliste, d'un budget en Croissance Réelle Zéro.

**Asmani ALBANO (Tanzania, United Republic of)**

I am speaking on behalf of the Government of Tanzania this time, not for G-77. Just for education, could I request the Secretariat to give this delegation the definition of surplus? What is the word *surplus* in the statutes of the Organization? This money surplus, can we get its definition?

**Peter A. FERGUSON (New Zealand)**

First, my congratulations to you and the other Members of the Bureau of this Commission on your appointment. I would like to join others in commending the Secretariat on the extensive work it has done on preparing the documentation before us.

New Zealand is pleased with the efficiency gains made by FAO over the past biennium. This is an ongoing quest, however, for a well-functioning organization to identify and trim unnecessary costs and exercise financial prudence. International organizations face the same fiscal constraints as Governments, and must make the best use of resources.

We believe further improvements are possible in FAO through priority-setting and a clear focus on core activities. We have taken the same approach in New Zealand, where we have undergone considerable public sector reform and fiscal discipline.

We note that the ZNG scenario for 2000-2001 protects a number of high-priority areas, including normative areas which are of particular importance to New Zealand. While not an exhaustive list, these priority areas for us include *Codex*, the IPBC, Fisheries, Forestry Programmes, Technical Support to the Multilateral Trade Negotiations.

We believe that a challenging and substantive Work Programme for the next biennium can be achieved by the Organization within a Zero Nominal Growth Budget.

**Brett HUGHES (Australia)**

As Australia has said before in Council, we acknowledge the efforts of FAO over the last two biennia to cut unnecessary costs and increase efficiency in the Organization and to develop a new Strategic Planning Model to assist FAO in more effectively prioritizing its Work and Budget.

However, as we have also said before, we believe that further efficiency gains are both possible and essential if FAO is to continue to carry out its key activities efficiently and effectively.

We also consider that further savings within FAO's Budget can be found without adversely affecting the Organization's highest-priority programmes, and that this process of reform within FAO should be ongoing.

In this context, as Australia said before, we strongly support the adoption of a Zero Nominal Growth budget in the Programme of Work and Budget 2000-2001 biennium, as this will enable FAO to be realistic in setting its priorities. This would reflect the realities within which the FAO Budget must be set, the genuine scope for further efficiency savings and the ongoing need for fiscal stringencies of Member Nations.

While Australia has already outlined to Council our position on priority programmes, I would also wish to again emphasize that Australia considers it important that FAO maintain appropriate

levels of funding to the *Codex Alimentarius Commission and International Plant Protection Convention*, as important standard-setting bodies.

Australia also strongly supports the continuation of FAO's work in programmes in assisting countries prepared for the forthcoming WTO negotiations. We would also wish to see priority allocated to the Fisheries and Forestry Programmes of the Organization to enable them to continue their excellent work in this area. In this regard, we would again emphasize the high importance attached in both the Committees on Fisheries and Forestry and the subsequent Ministerial Conferences on these issues, held earlier this year. It is important that these areas are appropriately resourced in FAO's Regular Programme Budget. We welcome the Secretariat's efforts to protect these core areas.

Finally, Australia would also wish to see FAO continue to allocate priority to the work of the EMPRES and the Convention on Prior Informed Consent, which both bring direct benefits to Members Nations.

**Abdoukarim DIOUF (Sénégal)**

Ma délégation voudrait se joindre à celles qui l'ont précédée pour vous féliciter à l'occasion de votre élection à la Présidence de notre Commission, féliciter également le Secrétaire pour avoir élaboré un document d'une excellente qualité et Monsieur Wade pour la présentation fort claire qu'il a faite des documents.

Ma délégation voudrait faire siennes les déclarations de la République-Unie de Tanzanie qui s'exprimait au nom du Groupe des 77, ainsi que des Représentants du Pakistan, de l'Angola, de l'Erythrée, de la République islamique d'Iran, de l'Indonésie et du Mexique, notamment sur les grands programmes, l'équilibre qui doit exister entre activités normatives et activités de terrain, sur l'assistance technique etc. En particulier, nous voudrions insister sur la nécessité d'élargir le Programme spécial de sécurité alimentaire, ainsi que sur la nécessité de rétablir le Secrétaire pour la Commission sur la lutte contre le criquet pèlerin.

S'agissant du budget, ma délégation reste ouverte à toute discussion pour arriver à un niveau de budget réaliste, mais ce budget ne saurait être un budget à Croissance Négative, comme l'a dit, de façon opportune, le Représentant de la République islamique d'Iran. A défaut d'un budget à Croissance Réelle, ma délégation est prête à appuyer un budget à Croissance Réelle Zéro.

Quant à l'utilisation des langues, ma délégation se félicite des efforts qui ont été réalisés par le Secrétaire pour arriver à une situation plus équilibrée dans l'utilisation des langues, et l'encourage à poursuivre ses efforts dans ce sens. Encore faudrait-il que la FAO dispose des ressources nécessaires à cette fin. Enfin, nous attendons la réponse du Secrétaire à la question qui a été posée ce matin par notre délégation sur le mécanisme à mettre en place pour faciliter l'adoption d'un budget de consensus.

**Ms Ulla HEIDEN (Denmark)**

Denmark is giving this statement on behalf of the Nordic Countries and in association with the statement given by Finland on behalf of the European Union and its Member States. We will submit a written statement to the Secretariat which contains some more detailed comments. We would like this written statement to be included in the Verbatim Records.

Let me start by saying that we appreciate that the document before us is quite readable and easy to understand. We commend the use of the Internet for further details as well as for documents, and we encourage the Secretariat to proceed along these lines to increase the openness and transparency of the Organization.

We will underline that the discussions related to the Programme of Work and Budget, including the Budget levels, must be seen in close connection with the necessary strategic choices and with the performance and the cost-efficiency of the Organization.

We therefore regret that the Programme of Work and Budget does not present such choices. FAO must be able to fulfil its role as a lead agency in agriculture, forestry and fisheries. The normative activities must always be the point of departure. FAO must retain and, indeed, develop its status as a Centre of Excellence in its three mandated areas, and base its normative and operational work on its comparative advantages.

The objectives of FAO should always be pursued in close cooperation with all relevant partners. Top priority should be given to a strengthening of FAO's capacity to undertake monitoring and analysis of global natural resources, and to analyse and to give technical and policy advice in this area.

In the agricultural area, increased Regular Programme resources should be devoted to activities relating to genetic resources, to the work intended to facilitate the upcoming WTO negotiations. The latter includes *Codex Alimentarius*, global macro-economic analysis, as well as technical advice to Members. The role of women should be mainstreamed in all of FAO's activities.

FAO has a crucial role to play regarding the international efforts to ensure the conservation and management of Fisheries resources. We would thus call for a significant reallocation of Regular Programme resources in favour of the Fisheries sector, as called for by the Ministerial Meeting on Fisheries.

We think there is a need to strengthen the global agenda on forests as stressed by the Intergovernmental Forum on Forests. FAO is a United Nations lead agency for forestry, and has played an important role in the Inter-agency Task Force on Forests. We find that FAO must continue to give high priority to forest issues, particularly to the normative work and to the monitoring of global forest resources. This should, of course, be reflected in the Regular Budget.

As it appears in the Programme of Work and Budget, large parts of FAO are involved in the Special Programme for Food Security. The Nordic countries join the Programme Committee's request for a full evaluation of the Programme's results, cost-efficiency and approach in relation to programme formulation and phasing, as well as partnership arrangements. This must be done before any aspects of its future are decided.

We firmly believe that the increased recourse to extra-budgetary funding of Regular Budget activities is an unfortunate trend. Core activities should not depend on voluntary contributions, as extra-budgetary funding of such activities would undermine the principle of collective responsibility for common global tasks. It also makes planning and management more difficult and time consuming, and it is not a cost-effective way to tackle global issues. We must insist that activities to which Member Nations attach the highest priority must be placed in the Regular Budget, irrespective of the final financing scheme.

Transparency of the Budget, and of the Technical Cooperation Programme, should be improved. Instead of increased transparency, we note that the TCP is the only area that has been offered blanket protection in the Budget.

It is of concern to the Nordic Countries that we see very few women in FAO management. We would like to see a plan for a more balanced recruitment and representation of women in the Organization. Other United Nations Agencies, like the World Food Programme, have given excellent examples of such planning.

A substantive Budget discussion should include a discussion on the issue of administrative reform, efficiencies and savings. The Nordic Countries have listened with some surprise to the concerns raised by the Secretariat regarding the difficulties and, indeed, dangers of further administrative savings. We have also noted that the Budget itself only presents a brief analysis of modernization and rationalization. In future, this important issue should be subject to more extensive deliberations by the Secretariat.

We would also have welcomed a broader and more detailed analysis regarding the effects of exchange rate variations. We are concerned with the continuing relative weakening of substantive work in comparison to administrative activities, especially in Chapter 1. The only savings we have identified are found in Governing Bodies. We would like to support the unanimous regret expressed by the Finance Committee concerning the transfers made from the core substantive work in Chapter 2, to administrative activities in Chapters 5 and 6.

We must state once more that the improvement of management processes and streamlining and efficiency savings are ongoing processes and that we firmly believe that FAO still has a possibility to improve its performance in these fields. One important element in these processes is an efficiently-implemented Decentralization Process, accompanied by real delegation of authority and budgetary responsibilities without eroding the vital competence levels at Headquarters.

The Secretariat should make an even greater effort to extend cooperation within the United Nations context and with other relevant partners. It is fundamental that FAO build on the findings of partnership analysis to obtain the maximum benefit of cooperation and sharing of effort. Specifically, we would like to suggest a closer cooperation within the United Nations Resident Coordinators and, in connection with this, an analysis of the actual need for Field Representatives in any country.

Further and ongoing reforms of the United Nations organizations are necessary. However, Zero Nominal Growth should not, in general, be considered as a point of departure. Each organization has to be judged according to its track record. All Member Nations in the United Nations should pay their assessed contributions in time and in full. This means that all delegations present at this Conference are calling for action by FAO in important fields. Consequently, we would like to urge the Conference to work for a consensus and a Budget that would allow FAO to prepare itself for the challenges of the new Millennium in a cost-efficient way, and according to the priorities established by its Members.

**Tony WADE (Director, Office of Programme, Budget and Evaluation)**

Thank you very much indeed for very valuable input to the budget process. I think I would like to talk first, if I may, about the issue of priorities. In fact, the rather specific suggestions from various Members, from various sides of the House, on reallocation of resources versus the budget as it is presented to you. In particular, the European Union, Canada and the United States proposed a reallocation of resources to Fisheries and Forestry, in particular to support the outcome of the Ministerial Meetings.

The Near East and other Members of the G-77 supported the reallocation of resources for a post of Secretary to the Desert Locust Commission for the Central Region. Similarly, other Members mentioned that further resources over and above those that are already in the document should be allocated to languages. Unfortunately, not only did no one identify where those resources were coming from, except for vague references to further efficiency savings, which I will come to in a second, but they also added that we should protect everything. We should protect Codes, *Codex*, we should protect IPPC, we should protect PIC – Prior Informed Consent – we should protect the genetic resources for food and agriculture; we should protect FIVIMs; we should take on biotechnology; we should put more effort into women in development; we should put more into natural resource management; we should put more into supporting trade negotiations.

The difficulty I have with some of your advice to the Director-General on his budget is I have to give him viable options, viable alternatives, and the only area in which you feel you have been able to offer anything is not to reduce any programmes, but to rely on efficiency savings, which everybody states with great confidence are readily available. Now, I am the last person to say that this Organization has finished finding further improvements and efficiency, but there is a limit to the speed at which you can find such savings.

When the Director-General took his position on 1 January 1994, he inherited a budget which had been built up over the years and had not faced a reduction up until that time. He went through various efforts to improve efficiency and managed to make great progress – I say great progress because I believe that we can document it. We have taken out nearly 700 posts from this institution in that period, 600 of them being from the General Service categories as a result of modernization and efficiency improvements and as a result of techniques such as outsourcing. We have reduced costs in the area of travel by changing the sort of contracts we have with airlines and the sorts of tickets we buy. There are lists of these things and shortly we will be reissuing *Reforming FAO*, which will give you a review of what has been achieved.

The important point is that most of the savings that have been created so far are, what I would call, input-related savings, reducing the cost of the inputs that we buy without loss of productivity. That can either be in the form of staff resources or in the form of non-staff resources. What we are working on now are the much more difficult savings, which I would call process saving, that is, where you change the processes of the institution so that you reduce the number of steps in each transaction or in each action that a technical officer has to take to effectively carry out his work.

Now these savings are much more difficult to create, but there has been considerable success. If we look at what is in the current document for ZRG, there are savings of US\$ 7.5 million resulting from changing the processes for administrative actions in Headquarters. If we look at ZNG, there is a further US\$ 4.7 million by trapping the synergies between technical staff, operational staff and the Management Support Unit staff in the Regional Offices. Now, I have to say, on that second one, my personal advice was not to declare those savings at this stage. This has not been implemented. We are taking a risk because we have not successfully identified precisely how those savings will be created. However, because ZNG was imposed upon us by the Council, that is, that you sought a scenario which describes ZNG, we decided that we had to identify those savings at this time, even though we think it is probably unwise to do so.

I suppose what I find rather difficult is that it is very easy for Members to say there are further efficiency savings without pointing to where they lie. It is much more difficult, on this side of the fence, to find them.

If I understood the European Union's proposal, it actually would like to see a change in the Resolution, with more money for Fisheries and Forestry, and less money from somewhere else. I do not see how I can advise the Director-General to do that because I do not know where the money comes from. So, I really have to ask you to consider that your alternative here is to state those priorities for which you require additional resources in your Report, and to ask the Director-General to try and find additional resources and give him the flexibility to do so, and eventually report back to the Finance Committee. But to change the Resolution now would mean that we would be giving you a Budget that was unsupported at the detailed level.

Turning to the question of arrears, some delegates appear to be addressing arrears in the way that they have created the surpluses so, therefore, they should benefit from them. Well, in a certain sense, of course, it is true. These resources are the resources of the Organization, they are your resources as Members of this Organization.

On the other hand, let us recall how the current situation arises. If we go back in history to 1986, I think it is, when the first major arrears started to appear, the Organization continued to receive budget approvals for a Programme of Work from you which were not supported by the cash inflows.

In other words, we were spending less than you approved because we did not have enough cash to support the Programme. Then, what has happened over that period is that we have developed a deficit, which is considerably less than the total arrears outstanding. The deficit of 31 December 1997 was, I think, US\$ 27.6 million. The arrears at the moment stand at US\$ 150 million. So

what in effect happened is your programmes were cut because of this shortfall in cash flow. All that is happening now is the cash flow is coming back to the Organization, and the Secretariat is suggesting that you may wish to allocate that additional cash flow to the programmes you consider to be of highest priority.

Now, the Secretariat has suggested certain one-time capital expenditures. Other Members have suggested that certain other items should be included in there. Clearly, that is the sort of area that is open to consideration. But to say that it is money that should automatically be returned under Financial Regulation 6.1(b) is, I think, not really justified. I would add that the precedence for not returning it is very significant. I think that we actually note that in the document. We give a rundown of the examples, where Financial Regulation 6.1 has been set aside by Conference or by a Council under the delegation of Conference. You will find that in paragraph 4. It happened on many, many occasions.

I think it was the distinguished delegate for Japan who suggested that incurring expenditures before the receipt of arrears was against the Financial Regulations. I am sorry, I want to correct myself there. His point was that the Financial Regulations required budget proposals to be put through the Finance Committee and the Council, and he quoted the clauses referring to the Summary Programme of Work and Budget. That is quite correct. That is what the Financial Regulations require, and that is what has been done.

A Summary Programme of Work and Budget was prepared and then revised on the basis of the comments received, and you have a Programme of Work and Budget before you. The Arrears Resolution is a completely separate issue, and it is a separate source of funds. I do not think we can say it is subject to the normal requirements of the Budget Resolution.

I would like to clarify one point concerning Item 1 in the Arrears Resolution, which is redeployment and separation costs, for which you will see an amount of US\$ 9 million has been set aside. It is suggested that these are not a one-time cash out. I would like to assure delegates that they are a one-time payment.

We have some resources within the salary budgets of FAO for normal separations and termination arrangements. I believe there is US\$ 1.9 million in our budget for 2000-2001. This is not sufficient for extraordinary separations, which arise out of the restructuring exercises that are included in this Budget. If we take the restructuring exercises out, and we leave those staff there, we do not need this money.

However, the Budget relies on us being able to reduce the on-going costs of the Organization by restructuring, so therefore there is a substantial one-time payout to achieve that restructuring and that is what we are seeking your authorization to incur. The precedence for that particular example exists in the last biennium. You approved an additional US\$ 12 million, effectively from arrears – the Resolution also referred to voluntary contributions but we did not receive any – so you approved an additional US\$ 12 million to be spent in anticipation of the eventual receipt of arrears. Again because the level of arrears is so high and, if I may say so, with such a high credit rating behind the vast majority of it, that there is no doubt that the money will come in. It is just a question of timing. I would therefore urge delegates to consider the Arrears Resolution as being an important step towards assisting your own Organization achieve the sorts of efficiency savings that you seek.

There were some individual points which I would like to address. The distinguished delegate of China drew attention to the fact that TCP was at 13.8 percent. I agree and I agree we should try and do better, and eventually try and reach the 17 percent. This is another priority which many Members consider to be extraordinarily important but I would like to point out that that 13.8 percent is an improvement from 12.5 percent in the last biennium.

The European Union referred, as it did in the Council, to the complete absence of any work on IUUF, Illegal, Unregulated and Unreported Fisheries. We did report in the Council the various

activities that are being carried out, that will lead to a paper going to COFI at its next session. I would refer you to the Council Verbatim Records to get the details of that so as to save time at this point.

The Special Programme, yes, it will be subject to an evaluation. Please be assured of that. In fact, the Director-General informed the Programme Committee that there would be an evaluation of the Programme in 2001.

With regard to Oracle, and the long-term short-term discussion. I think I might take that up tomorrow morning because it requires a little bit more attention than I could give it in the time available.

On the question of organic agriculture, yes, there is some coverage in the document on organic agriculture. You will see it under Project 2.1.2 A.2., specifically, its major output, which is methodologies and standards for the production of high-quality and safe horticultural produce, and that includes guidelines and crop protocol specification and procedures for organic standards being carried out in AGP, our Crops Division. There is also work being done in SDR, which has a planned project on comparative studies on organic agriculture. Interestingly, we have set up a sort of internal Inter-Departmental Working Group on this subject, and actually I am in receipt of a request for additional funds to support some of their activities.

On the question from mentioned 2.1.2 A.2 and 2.1.4 A.2, both of which deal with Peri-Urban Agriculture, I would emphasize that, yes, it is quite true of course, but the structure of the Budget is such that the Programme 2.1.2. comes under AGP, the Plant Production and Protection Division 2.1.4 comes under AGS, our Agricultural Support Systems Division. Therefore, what you are seeing is the two separate components of an interdisciplinary activity being undertaken by different Divisions. In fact, they also address slightly different areas, one concentrating on crop production technology and the other one on produce marketing.

## **CHAIRPERSON**

Thank you very much, Mr Wade, for your explanations and comments. We will continue with this Item tomorrow morning at 09.30 hours but, before closing, I would like to extend our appreciation to the interpreters for their patience that they allowed us to continue over time and finish our business for the day.

And before closing also, I would once more give the word to the Secretary to make a clarification on the composition of the Drafting Committee.

## **SECRETARY, Commission II**

I do not wish to prolong this any further so just quickly, the names I have thus far for the Drafting Committee, which incidentally will meet for the first time tomorrow evening, after the closure of the session in the Commission: Ghana, Zimbabwe, Iraq, the United States of America, Australia, China, Pakistan, Japan, Sweden, Argentina, Brazil, France and currently Egypt, although they may wish to be replaced by another Member Nation.

Finally, if I could just remind you that there is a presentation on EMPRES, the Emergency Prevention System, at 17.45 hours in the Iran Room. Apologies for prolonging this.

*The meeting rose at 18.00 hours.*

*La séance est levée à 18 h 00.*

*Se levanta la sesión a las 18.00 horas.*

# CONFERENCE CONFÉRENCE CONFERENCIA

**Thirtieth Session  
Trentième session  
30o período de sesiones**

**Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999**

**THIRD MEETING OF COMMISION II  
TROISIÈME SÉANCE DE LA COMMISSION II  
TERCERA SESIÓN DE LA COMISIÓN II**

**16 November 1999**

**The Third Meeting was opened at 10.00 hours  
Mr Bhaskar Barua,  
Chairman of Commission II, presiding**

**La troisième séance est ouverte à 10 h 00  
sous la présidence de M. Bhaskar Barua  
Président de la Commission II**

**Se abre la tercera sesión a las 10.00 horas  
bajo la presidencia del Sr. Bhaskar Barua,  
Presidente de la Comisión II**

**PART II - PROGRAMME AND BUDGETARY MATTERS (continued)****DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET  
(suite)****PART II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**14. Programme Of Work and Budget 2000-2001 (Draft Resolution) (C 99/3,  
C 99/3-Corr.1, C 99/3-Corr.2, C 99/LIM/6, CL 117/LIM/3) (continued)**

**14. Programme de travail et budget 2000-2001 (Projet de résolution)  
(C 99/3, C 99/3-Corr.1, C 99/3-Corr.2, C 99/LIM/6 CL 117/LIM/3) (suite)**

**14. Programa de Labores y Presupuesto para el 2000-2001 (Proyecto de resolución)  
(C 99/3, C 99/3-Corr.1, C 99/3-Corr.2, C 99/LIM/6, CL 117/LIM/3) (continuación)**

**CHAIRMAN**

This morning we will continue with the discussion of Item 14, the Programme of Work and Budget 2000-2001, which was taken up in yesterday afternoon's Session. In all, twenty-seven interventions were made and views were expressed on the budget level, on the balance of resources between the Programme and on the Resolution regarding the Use of Arrears, which is before the Commission.

Before opening the floor for further discussion on these items, I will pass the floor to Mr Tony Wade, who will complete the clarifications and explanations on behalf of the Secretariat, which he was giving last evening, in response to the interventions made from the floor.

**Tony Wade (Director, Office of Programme, Budget and Evaluation)**

First of all, to follow on on the answers that I started giving yesterday evening in response to the distinguished delegate of Japan who asked a question concerning Oracle, its short-term and long-term effects.

Oracle is the new financial system that the Organization is currently putting into place and, in fact, it is at this moment implementing Oracle. What it gives us that is different, is the capacity to decentralize the processing of any transaction to its origin. For example, the initiator, who could be the technical officer or a secretary, anywhere in the Organization, can start the process going by entering the necessary details, for example, a travel request, or a purchase requirement, into the system. Then the budget holder, who is the person who has the allotment and the authority to spend money, can approve it directly in the system. This whole system is built on software which runs on the Worldwide Web environment, which means it is very easy to distribute the capacity to enter transactions to everybody in the Organization who has a workstation.

The fundamental gain that we have here is that instead of writing things on a piece of paper and passing them to someone else, to then write something else on it, and then passing it to someone else, etc., the whole process is captured at the point of origin. This is good from the point of avoiding duplication of effort, re-entering data, etc., but it is also good from a fundamental point of view, in that the processing and the authority are also at the origin. The budget holder approves the action and it happens. It goes on and it is just automatic administrative processing to get the action finalized.

Associated with this is the clear decision that those holding budgets have the authority to act; that is, when they approve it, the transaction goes on and nothing will prevent it, assuming it is within the normal rules and procedures of the Organization.

The very short term effect of Oracle's implementation, of course, is fairly disruptive because the implementation of any new system requires a lot of effort from staff. The technique we have used is to take advantage of the Management Support Unit (MSU) structure which already exists. These are Units in each Department that have, up-to-date, been responsible for all this processing

work. We will take those staff members, train them how to do this at the centralized point within each Department and then, implement Oracle on a centralized basis initially.

Then, as you will see in the budget, we abolish those Management Support Units and create a Central Management Support Service. Why? What is happening? What is happening is that once we have the system up and running, Department by Department, we are going to put the processing back, not at the MSU level, but at the level of the budget holder and the staff of the individual units concerned, which means that the MSU itself no longer needs to exist.

We believe that with good training it is possible to do this. I have to say that we have not had the first roll out of a Department under the new system. That will commence immediately after the Conference. We are going to do it one by one so that we learn from the process and the experience. Then, through the early part of 2000, we expect to roll out all of the Departments using this technique. By the end of March 2000 we hope to have the exercise completed.

This will still leave this Management Support Service at the centre. Its long term task is to provide the sort of staff development and training support and advisory support to users in Divisions so that they can do the job. When someone new comes into the Organization they can get training, support, help with a transaction, and on complicated things the Unit will even carry out the transactions for them.

In terms of impact, you see most of it in the budget document itself. The abolition of the Management Support Units and the creation of the Management Support Service at the centre, results in net savings of US\$7.5 million for the biennium. In fact, it is by this means that we have been able to balance things in the budget. I do not know if that is a complete enough reply, but I will stop there for the moment on that issue.

The next issue concerns the definition of surplus and deficit, a question that was raised by the distinguished delegate of the United Republic of Tanzania. This is very much connected also to the arrears issue. On the arrears issue, for those of you who have not heard, the press reports at least are quite optimistic in that the headline in the International Herald Tribune is "Deal on US dues to the UN is reached". It looks like this is becoming very much a reality.

Surpluses and deficits. What does it mean? The accounting standards applied to FAO are those applied throughout the UN System. The surplus or deficit is the difference between income and expenditure in any accounting period. For FAO, the accounting period is one biennium. What we are talking about is adding up all the income, deducting all of the expenditure and seeing what is left at the end. If there is a balance left it is a surplus, if there is a negative result it is called a deficit.

In FAO's terms, income is recorded in the Accounts at the moment it is earned, that is at the time FAO gets the right to the money, not necessarily received, except in the case of Contributions, where the net effect in the Accounts is the amount of Contributions received. It is not the assessments as made on Member Nations, but rather the assessments which have been received in the period. Therefore, you can see that when we have large arrears - they tend towards causing a deficit rather than a surplus. Expenditure is more straightforward. Expenditure is recorded when it's obligated. Obligated means when we enter a legal commitment with a third party outside the Organization. The current situation is that the Organization has a deficit. At the 31 December 1997, the accounts said that we had a deficit of US\$ 27.6 million. That is entirely attributable to the fact that there were arrears in Assessed Contributions. In fact, the arrears at that time were very much larger than that deficit because the Organization had been underspending in the past so as to offset the various problems that result.

A question which is often asked is how can you run with a deficit, how can you spend US\$ 27 million that you have not received? The answer is that we do not disburse funds at the time we obligate the expenditure. We disburse funds at the time the service or the goods have been received, and we are satisfied with them. For example, at any one moment in time FAO has about

US\$ 20 million of bills due to be paid in the sense of obligations made but for which we have not paid. This is cash we have which has not had to disbursed. Similarly, on TCP we have resources for the dual-biennial appropriation. We are holding those resources over the end of the biennium so that is cash that we are holding, in effect, that can be made available, in a sense, to cover other disbursements.

Finally, we have two funds which are set aside to help us in this regard. One is the Working Capital Fund, which has a ceiling of up to US\$ 25 million -- I think it is currently at about US\$ 22 million -- and we have the Special Reserve Account, which has about US\$ 30 million in it. These are funds that have, as one of their purposes, to allow disbursements to occur pending receipt of assessments. So, you can see that we have cash resources that allow us to manage the process pending the receipt of Assessed Contributions. I hope that responds to the question. If you need further clarification, please let me know.

Turning to the intervention of Denmark, we can always do better but, in the case of the issue of women in senior management, I would refer you to the Director-General's speech in which he pointed out that the number of women at director level had risen from 4 percent to 11 percent since he had been in office. The number of FAO female Representatives, had risen from 2 percent to 10 percent. Therefore, at least at the senior level, he has made very great efforts to try and improve the situation. As I say, of course, further improvement is clearly possible.

You asked also for a more detailed explanation of the impact of exchange rates. I am not sure whether you are aware that in paragraphs 122 to 128 of the document there is, in fact a description of the impact of exchange rates. I did not spend too much time on it for that reason. I also did not spend too much time on it because the adjustment we make is based on a standard methodology, which applies the effect of the exchange rate to staff salaries. So, this figure I keep talking about regarding the difference between Lire 1 800 and Lire 1 877 is, in fact, an adjustment for the impact of the exchange rate on the salaries in Rome. The principal part of it is General Service salaries are lire-based. Obviously if the dollar strengthens, then, it costs us less dollars to pay those salaries and *vice a versa*. There is an explanation of this in those paragraphs. If you need more than that, please let me know.

On the issue of Decentralization, where I think you were suggesting some sort of review, can I refer you to the review that was carried out on Decentralization at the request of the Joint Meeting of the Programme and Finance Committee. A paper was presented, I think last September, it may have been May. The reference is JM 99/1, and it is available on the Internet, and I think that might satisfy your enquiry.

#### **P.D. SUDHAKAR (India)**

We would like to place on record our appreciation for the increasing efforts being made by FAO to present a concise and clear budget document and feel that there is scope for further improvement.

The structure could be so designed as to find a clear idea to the Member Nations of the objectives expected, so that implementation of programmes could be evaluated by the Member Nations. We would strongly support the regional priorities to be taken into account in the formulation of the programmes.

On the budget level, we feel the need for a strong, secure Organization given the fact that FAO is the primary agricultural organization. We feel, therefore, that Zero Nominal Growth will make the Organization insecure and dependent on extra-budgetary resources which are uncertain. Though we would have liked a Real Growth Budget, given the sentiments expressed, we would strongly support Zero Real Growth plus scenario and support the stand of the G-77 countries. We would like some important programmes listed under the Real Growth scenario to be taken up.

The TCP programme is one which is significant to most developing countries. Conference Resolution 9/89 had stated that TCP appropriation should be 17 percent of the total budget. This target has not been reached so far. The budgetary allocation to TCP in the proposed budget is also far short of this target.

We express our deep concern on the transfer of funds from technical programmes to cover anticipated administrative costs, such as the transfer of US\$ 12 million from technical and economic programmes to cover the cost of the implementation of the Oracle programme. Some solution has to be found for such situations in future.

We support further efforts in cost-efficiency and savings in the Organization, and would like to see a proposal from sustainable development in future for this.

**Ms Maria Luisa GAVINO (Philippines)**

The Philippines would like to express its support to the statement of Ambassador Asmani of Tanzania on behalf of the Group-77 endorsing the Zero Real Growth budget as the minimum acceptable level for which this Organization can operate effectively.

For the past biennia we have seen the budget of FAO consistently reduced and yet, at the same time, we have continued to make more and bigger demands from it. In 1996, at the World Food Summit, Heads of State and Government committed themselves to reducing the number of hungry and malnourished people from 800 million to half this number by year 2015. Although the primary responsibility for this effort lies on national Governments, we have agreed that such efforts are not enough. International agencies are indispensable to extend a helping hand, especially to the least developed countries.

In the Philippines alone, approximately 40 percent of our population, or around 30 million people, live below the poverty line. This means at least one fourth of our population, or nearly 20 million people, are food-insecure. The scarcity and high cost of food has led to the reduction of Filipino's food consumption from approximately 900 grammes per person a day ten years ago, to 800 grammes today. Our Government is now in the process of implementing new legislation which is ambitious and hopes to improve agricultural activity and increase rural incomes. But the help of international agencies, such as FAO, remains crucial and necessary. Without the needed resources available to these agencies help from them will certainly be jeopardized. We believe that international agencies would not be able to do more with fewer resources. Because of this, we are deeply concerned that without the needed resources FAO's commitments in 1996 during the World Food Summit will not translate to concrete benefits for the world's hungry and malnourished.

**Francis MONTANARO MIFSUD (Malta)**

My delegation would, first of all, like to compliment the Secretariat on the labour that it has put into the Programme of Work and Budget proposals for the 2000-2001 biennium and the clarity and conciseness of the document.

We are in agreement with the general thrust of the Programme of Work and Budget. We would go along with the main priorities indicated, in particular Fisheries, *Codex Alimentarius*, Plant Genetic Resources, IPPC, Gender Mainstreaming and FIVIMS. We fully endorse the protection given to the Technical Cooperation Programme, which responds to developing countries' needs. We welcome also the assistance to Member Nations in the context of FAO-related aspects of the Multilateral Trade Negotiations, and would urge that FAO assume a higher profile in this field.

We are somewhat disappointed with the allocation for Fisheries, which apparently does not include *inter alia* provision for dealing with the acute problem of illegal, unregulated and unreported fisheries, as well as other priority issues. This does not do justice, in our view, to the unique, comparative advantage of FAO or to the recommendations of the Ministerial Meeting.

With regard to the budget level and the three scenarios put before us, we are of course entirely in favour of further efforts being made to render FAO more effective through optimum use of its resources. Further efficiency savings should be sought. There must not, however, be excessive erosion of administrative and supporting services, as this could well prejudice the effectiveness of technical programmes. FAO has to have the necessary resources to carry out its mandate and to respond to the many calls upon it from its Members.

In my view, the minimum resources required are those estimated under the Zero Real Growth budget, and I would hope that we can all come to a consensus on this basis.

**Julian A. THOMAS (South Africa)**

Allow me, this being our first intervention, to welcome you to the Chair. We are very glad to have you there. We would also like to thank the Secretariat for the documents, for the introductions they made yesterday and for subsequent explanations provided by Mr Wade. These all help in our understanding of the issue that we are debating.

We have commented fairly extensively in Council on this same item, so I will try and restrict our comments to avoid too much duplication. We would just like to make the following remarks.

First of all, we align ourselves with remarks made by others in support of a budget level of Zero Real Growth as a minimum requirement for FAO and in particular, the comments put forward by the Chair of G-77 and the Representatives of Pakistan, Islamic Republic of Iran, Senegal, Angola and, this morning, the Philippines.

We welcome the invitation by several delegations to reach a consensus on a realistic budget for the Programme of Work. To us, realism means stopping the downward trend in the Budget to allow the Organization to consolidate, following changes that have been made over the past three biennia, and to allow Membership to benefit from these changes.

We have seen the effect of budget cuts on the Organization but, as yet, have not witnessed much increased output. The reality is that delivery has, in a few cases, been marginally increased, in some barely maintained and in others has weakened. This applies both to normative and to field operations. Our plea here is for realism, as far as the impact of these so-called efficiency savings is concerned. We recognize that less money is going into the Organization, that is easy. But it is not easy then, on the supply side, to see what we often call for when we say, do more with less. In fact, if this is not the case, why do we then hear such loud and frequent calls for attention to a wide range of programmes, including those which benefit from protection. We would venture that it is because Members fear that FAO's capacity to deliver in these areas is being threatened. We feel that FAO has reached the limits of "easy and quick efficiency savings", as pointed out by Mr Wade yesterday evening.

We would of course, as pointed out by other Members, would not want the Organization to cease searching for such cost efficiencies and savings in administration, as was pointed out yesterday, in project implementation and in the development impact of projects.

We are thus in favour of the current exercises examining the question of support costs and the anticipated evaluation of SPFS. We would like to suggest that the approach to evaluating the possibilities of savings should be, or the requests for these types of evaluations to be done should be more focused, more specific than we have called for in the past. I would like to give you an example. We have heard repeated calls for savings, for example, on the FAOR Budget. Quite a lot has already been done in this regard and discussed in the Joint Meeting of the Programme and Finance Committees. But, judging from the performance of the FAOR Office in South Africa, we would, for example, not require further attention to be paid to this matter. However, if other Member Nations do have reasons for this type of examination, we just feel that the request should be more specific than it has been in the past, and this would apply, we would think, to all areas where this type of examination is required.

Turning our attention to priorities, we feel that part of the difficulty of applying the existing criteria to allocating FAO resources to priority programmes or areas, is a mismatch between the resources that FAO has and the breadth and the depth of the need. This will not get easier as this gap increases. Again, just a pointer towards the need to increase the budget level of this Organization.

We wish here to repeat the comment made previously regarding the FAO comparative advantages, as understood during the Strategic Framework exercise. The planning is a zero-based exercise. We hear repeatedly that FAO should strengthen what it is good at, without competing unduly with other Bodies, and we would certainly agree with this. But FAO should also develop a capacity to fill gaps where these may exist. An example was given yesterday, and previously in Council as well, of the need of the Organization to engage more in the whole area of biotechnology. We would certainly support this, and thus provide this here as an example of where we feel capacity needs to be built in the Organization to deal with an urgent problem.

We cannot agree with the reallocation of resources from Agriculture to Forestry and Fisheries. As pointed out previously, we also want more for Forestry and Fisheries, but not at the cost to Agriculture. Agriculture needs more to meet the developing needs, particularly in Africa. In this regard, in the past, we have repeatedly emphasized the importance of the livestock sector and the need to allocate more resources to it in the interests of achieving food security and within the context of sustainable rural development. This applies both to the normative and field operations of livestock production.

Because of the inter-relatedness of FAO programmes, this also means that greater emphasis needs to be placed on the conservation and utility of plant and animal genetic resources, in its fullest sense. We wish to suggest that the next COAG could, for example, consider the technical and policy implications of the major changes presently taking place in animal genetics. There are a lot of opportunities here for Africa that need to be developed, but which at this stage are not available to developing countries in that Region.

We would thus request that these areas that have been mentioned here be added to the list of priority areas that were already provided by us during Council. And to that list we would also like to add the role of women and the TCP Programme.

Turning to arrears and the Resolution on Arrears, we would support calls for all Members that have been made by other Members and for all Members to pay their contributions to FAO. In principle, we support the Resolution, and we would like to take the debate further by supporting other Members who have called for examination of ways in which arrears could be used to improve FAO in the interests of Membership. We feel that this should be seen in the light of the transfer of resources from technical programmes to administrative activities that we have witnessed in the past two years, and which we all deplore, and we have heard repeatedly that the Secretariat, of course, does not like effecting these sorts of transfers either. These were one-time cuts that were made from these technical programmes, and we feel it would be justified to use arrears to restore those cuts that were made to those programmes.

In conclusion, we agree with the comment made by Denmark on behalf the Nordic Group that, in arriving at a reasonable and realistic Budget for FAO, we need to judge the Organization according to its track record. We would also like to add that we also need to judge the needs of the Organization according to the needs of its constituency, of its Members, and in terms of the goals set by the World Food Summit.

We also need to judge the level of Budget by special circumstances, which we may have at present, as mentioned by Mr Wade this morning, with this increasing probability of arrears, and to examine ways in which these arrears could be used effectively to improve the output of the Organization.

**NI HONGXING (China) (Original language Chinese)**

Regarding the next biennial programme and the Budget, the Chinese delegation would like to once again stress the importance of field activities, including the TCP, SPFS and the Trust Fund activities, which would not only make use of the technology of FAO and its advantages, facilitate the development of agriculture and the rural economy of its Member Nations and realize the obligations set up by the World Food Summit, but would also help FAO to know better the requirements of its Members in order to facilitate the conduct of normative activities. Therefore, we support the efforts of FAO in streamlining its structure, through decentralization and by increasing its effectiveness.

The Chinese delegation has attached great importance to the role of the Country Representative Offices, who have provided technical support for the coordination of national field activities between FAO and other United Nations Agencies. They have played a very important role in assisting the developing countries to participate in the normative activities, and helped its Members to implement the programmes and activities established by FAO.

We hope FAO will further enhance the staff, technology and resources of the principle Representative Offices so that their role will be further strengthened.

**Abderrazak DAALOUL (Tunisia) (Original language Arabic)**

I would like to begin by congratulating you on being elected to the Chair of this Commission. I would also like to congratulate the Secretariat for the report that we have been given in the form of the Programme of Work and Budget for the biennium 2000-2001. I would like to thank Mr Wade for his answers to the questions asked by us in the course of the debate.

We feel that the Secretariat deserves our thanks for the efforts that it has made to economize. Mr Wade also went on to say that it would be practically impossible to cut costs further. Consequently, like other developing countries, I would like the Zero Real Growth scenario. Zero Nominal Growth would not allow the Organization to implement the priority activities by the Organization because developing countries need more support for their forestry programmes, their locust campaigns, fisheries, biotechnological diversity, preservation of genetic resources, support for organic agriculture and the development of the TCP so that resources may reach the target figure of 17 percent of the Budget.

Consequently, I am of the view that the Zero Real Growth scenario is the one that we should adopt for the forthcoming biennium. That scenario will allow this Organization to receive the resources it needs in order to keep hunger, malnutrition and poverty under control, if not reduce it, it will also contribute to the sustainable development of developing countries and allow these countries' products to have better access to international markets, if we accept this scenario, as the Chairman of the Group of G-77 said.

**Andreas ROUSHIAS (Cyprus)**

My delegation would like to associate itself with the statement made on behalf of the European Community. However, I would like to complement my colleague from Finland with some of our comments.

First, with the application of the new programming approach to the document under consideration and its future connection with the Strategic Framework and the Medium-Term Plan, we look forward to seeing a final version with a more standardized format.

Second, with regard to prioritization we would like to entrust that the Secretariat will endeavour to accommodate high-priority issues of interest to the European Group Countries to the maximum possible extent from resources derived from efficiency savings or arrears.

Third, we have appreciated the substantial efficiency savings made since 1994, amounting to approximately US\$ 40 million per year. However, we believe that there is always scope for more efficiencies and we urge the Secretariat to maintain the momentum in this direction. As an example, we recall the recommendation made by the Hundred and Sixteenth Council to the Joint Meeting of the Programme and Finance Committees to review a possible reform of the General Debate at Conference with a view to savings and efficiencies in governance.

Fourth, with regard to the timely payment of assessments and the problem of the arrears question, it was stated by some Members that the question of arrears has been the reason and part of the general problem for not increasing the budget. This is indeed a very clear argument. It has been reiterated at Sessions of the Conference and Council that many Members in arrears can and should fulfil their obligations. We strongly stress that there should be no more room for a passive position on this matter. It is a must to solve this chronic problem. We are aware of the difficulties, but we insist that the FAO Secretariat, along with Members, should exhaustively endeavour to bring results. Our small-sized country contributed to the three United Nations Agencies in Rome, despite its budgetary constraints as a result of the persistent political problems and the ongoing negotiations to harmonize its economy with that of the European Community, and it has always honoured this obligation in full and on time.

Fifth, we take this opportunity here to recognize and commend all Members that have funded with extra-budgetary contributions the ongoing negotiations on issues of utmost importance for sustainable agriculture and food security.

Sixth, the Budget for this biennium marks FAO's new Millennium challenges to meet the course of the World Food Summit. It is our wish that with a little mutual understanding we can reach consensus on a budget level that will allow our Organization to attain its image as a Centre of Excellence, maintaining at the same time, the momentum to continue the endeavours for cost-efficiency and reforms. The substantial reduction of cost-increases due to the favourable impact of the exchange rate strengthens the hopes in this direction.

### **Miguel BARRETO (Perú)**

En primer lugar, al ser nuestra primera intervención, permítame felicitarle a Usted y a los miembros de la Mesa por su merecida elección.

En segundo lugar, quisiéramos señalar que mi delegación apoya y respalda el discurso presentado por el Presidente del Grupo de los 77.

La forma de presentación del documento que tenemos enfrente, sin duda es sustantivamente distinta a la de los documentos que se han presentado en ocasiones anteriores y se enmarca en el nuevo enfoque de programación. Al respecto, mi delegación desea señalar que el mismo deberá mejorarse progresivamente a través de calendarios previamente establecidos de acuerdo a los objetivos que contempla cada programa. Adicionalmente el PLP deberá tener en consideración el Marco Estratégico que eventualmente aprobará esta Conferencia, en vista que este último influirá necesariamente en su aplicación debido a las prioridades que asignará a las labores de la FAO.

Para mi delegación es fundamental que todos los documentos y programas de la FAO integren equilibradamente los aspectos informativos, normativos y operacionales. En este sentido, abogamos por un Programa de Cooperación Técnica, protegido y fortalecido.

En relación al nivel de presupuesto consideramos que el mismo no puede ser de Crecimiento Negativo, así el nivel mínimo aceptable constituye el Crecimiento Real Cero.

Permítame hacer algunos comentarios sobre aspectos muy puntuales del Programa. En nuestra opinión no es conveniente reducir los fondos de programas sobre Información Agrícola y Alimentación en vista de que este último transciende todos los temas. Por otro lado deseamos

privilegiar el sistema de Información y Cartografías sobre la Inseguridad y la Vulnerabilidad Alimentaria excesiva.

En tercer lugar quisiéramos resaltar nuestro interés en que debe respaldarse el desarrollo del tema de Bosques Tropicales así como el Programa de Desarrollo Sostenible en Zonas de Montaña en el Programa Forestal. Quisiéramos también manifestar nuestra preocupación por no haberse incrementado el presupuesto del Programa de Pesca de acuerdo al mandato de la Reunión Ministerial.

Finalmente, en relación a la evaluación del Programa, mi delegación aprecia la integración de mecanismos y evaluación en todos los programas y proyectos como un sistema de gestión que sin duda favorecerá una mejor ejecución y la rendición de cuentas. Deseamos reiterar en esta ocasión que los recursos destinados a la evaluación deberán incluirse desde el inicio en los programas y proyectos y no deberán afectar el desarrollo de los mismos.

**Ms Sophia NYAMUDEZA (Zimbabwe)**

My delegation supports the G-77 position, which is for Zero Real Growth level as the minimum to enable FAO to sustain and consolidate its activities. I also support the points raised by my colleague from South Africa in his statement.

Zimbabwe attaches great importance to FAO programmes. We support the priorities that have been protected under the three scenarios, but we also attach importance to the Programme 2.1, especially the Programme for Crops and Livestock. We also support the TCP and the role of women, especially in Programme 2.5.

My delegation feels that these programmes should also be directed at the least protected. We believe that improving agricultural performance will accelerate rural development in developing countries, and this could be the key to increasing incomes and reducing poverty. We feel that FAO has a role to play in this regard as a primarily agricultural organization. We therefore feel that FAO needs a strong Regular Programme. We also feel that if it has a Regular Programme that is strong, we should be able to attract extra-budgetary resources. Therefore, we hope that this Commission will be able to agree on a consensus on a Zero Real Growth budget as a way forward.

**Mrs Kajonwan ITHARATANA (Thailand)**

My delegation would like to support the statement made by the Chairman of the Group-77, the Philippines and the South African delegations.

Thailand is certainly in favour of the savings and efficiencies of the Organization. At the same time, we would like to see FAO doing its job successfully and able to cope with the priorities demanded by its Members. We therefore support the scenario of Zero Real Growth as the minimum budget requirement of FAO.

**Yacine BAKAIL (Algérie)**

Mon intervention sera concise. Elle porte sur deux points précis. Le premier, pour exprimer la position de ma délégation en faveur de l'option défendue par le Groupe des 77 pour un budget à Croissance Réelle Zéro, qui constitue un minimum, comme l'ont souligné certains des délégués qui m'ont précédé. Le second, pour demander à Monsieur Wade de nous dire dans quelle mesure les recommandations les plus pertinentes du Commissaire au Comptes, relatives à l'exercice financier 1996-97, ont été prises en compte à l'occasion de l'élaboration du budget pour l'exercice biennal 2000-2001.

**Mrs Laila OMAR BESHIR (Sudan) (Original language Arabic)**

First of all, I would like to express my congratulations to you on the occasion of your election to the Chair of this Commission. We would like to thank the Secretariat for preparing the document and helping the Commission in this way.

As concerns the Programme of Work and Budget for 2000-2001, we would support what was said by the United Republic of Tanzania on behalf of the G-77, and we would like to take this opportunity to emphasize the following points:

The proposal consisting of the Zero Real Growth scenario is a minimum because this Budget for the period 2000-2001 is based on the 1998-99 biennium, which was itself based on Zero Nominal Growth.

Second, we support the different administrative efforts that have been made but we observe that in their implementation, the number of technical activities implemented should not be affected by these other administrative measures.

The principle of equality amongst languages of the Organization and their balanced utilization remains a motto of the Organization that is still not fully applied. Also, the decrease in technical programmes, especially in Fisheries, Forestry and sustainable development with food security is not a reflection of the importance developing countries attach to these programmes, or of the Organization's priorities.

Fourth, we feel the use of delays in carrying out certain functions of the Organization might have an adverse effect on the performance of the Organization itself and the implementation of programmes, including technical programmes and ones limited in time. We believe that we should take delays, if they occur, into account when implementing these programmes.

**Bagoudou MAIDAGI (Niger)**

Permettez-moi de vous féliciter pour votre élection à la Présidence de cette Commission. Je voudrais seulement dire que la FAO a pour principal objectif d'aider de manière significative les personnes affamées dans le monde au cours de la prochaine décennie du Troisième millénaire. Dans ce contexte, la Croissance Réelle Zéro nous paraît être une étape minimum qui puisse permettre à la FAO de s'orienter vers la réalisation de ses objectifs.

Comme vous le savez, au cours des années antérieures, le Budget de la FAO a connu des coupures drastiques qui l'ont obligée à arrêter certains programmes prioritaires. Nous aurions souhaité que ce Budget 2000-2001 soit réglé à la hausse pour permettre justement la remise en chantier de ces programmes essentiels qui ont été arrêtés. Certains pays demandent à ce que la FAO s'oriente vers le développement de la biotechnologie. Nous apprécions certaines technologies, mais nous aurions aussi souhaité que, dans le contexte actuel, les ressources de la FAO, ne soient pas utilisées pour le développement de ce genre de techniques. Nous souhaiterions plutôt que certains pays apportent des ressources pour pouvoir permettre à la FAO de soutenir cette action.

**Pierre NYAR OLLAME (Gabon)**

Le Gabon, par ma voix, vous félicite pour votre élection à la Présidence de la Commission. Je félicite également le Secrétariat pour la clarté des documents qui nous ont été soumis pour examen.

En ce qui concerne le budget 2000-2001, le Gabon s'allie à la position du délégué de la Tanzanie, celle du Groupe des 77, à savoir la Croissance Réelle Zéro. Ce scénario peut être en principe, s'il est accepté, compatible avec la volonté exprimée par les États et la FAO dans le document relatif au Cadre stratégique.

Nous pensons que, dans ce Cadre stratégique, certains secteurs sont portés prioritaires. Et les enjeux se profilent à l'horizon, notamment en matière de foresterie. Nous aurons, dans les années à venir, les résultats du Forum intergouvernemental sur les forêts.

Je pense qu'il est acceptable de retenir ce scénario puisque que les projets qui seront retenus sont des projets dynamiques et la volonté des États et la FAO s'est exprimée dans ce document.

**Zana SANOGO (Mali)**

C'est la première fois que je prends la parole au sein de cette Commission, et je voudrais tout d'abord vous féliciter pour votre élection au poste de Président, et ensuite pour la façon dont vous dirigez nos débats.

C'est avec beaucoup d'intérêt que ma délégation suit depuis hier les débats sur le Programme de travail et budget pour le prochain biennium. Je serais très bref puisque les aspects que mon pays avait l'intention de soulever ont été couverts par de nombreuses délégations qui m'ont précédé. Pour ne pas faire de répétitions, je ne reviendrais ni sur le choix des priorités des programmes présentés par le Secrétariat que nous appuyons, ni sur la concordance acceptable des prévisions budgétaires avec les programmes.

Je voudrais tout simplement dire que la délégation du Mali, à défaut d'un budget de Croissance Réelle Positif, appuie le scénario de Croissance Réelle Zéro, tel que proposé par beaucoup de délégués, y compris le Président du Groupe des 77, pour permettre à notre Organisation de mettre en œuvre ses programmes prioritaires.

**Aboubakar BAKAYOKO (Côte d'Ivoire)**

Au nom de la délégation de la Côte d'Ivoire, je vous adresse nos sincères félicitations pour votre élection à la tête de notre Commission. Je remercie également le Secrétariat pour la qualité des documents produits et je félicite tout le Bureau pour la conduite des travaux.

Tout ce que mon pays devait dire a déjà été dit, je voulais simplement rappeler que nous soutenons la position du Groupe des 77 et que, compte tenu du fait que la FAO est une grande institution et que les engagements pris par nos Chefs d'État lors du Sommet mondial de l'alimentation nous engagent à plus de détermination, à défaut du scénario de la Croissance Réelle nous soutenons le scénario de la Croissance Réelle Zéro qui permettra à notre institution d'atteindre les objectifs fixés par nos Chefs d'Etat.

**Tony WADE (Director, Office of Programme, Budget and Evaluation)**

There were not so many questions this morning, most statements being statements of position, but I will address those that we have received. One I would like to return to, that was raised yesterday, and which I answered briefly but which was again raised this morning, concerns FAO's work on illegal, unregulated and unreported fisheries. The point being made is the document does not make it very clear what we are doing, and I have to accept that, but I should emphasize that action is being taken in this area and we are not ignoring it. In fact, within certain parts of the programme, resources have been allocated for this purpose.

Just for the record, it is planned to hold an Expert Consultation in May of the year 2000. This is, in fact, sponsored by the Australian Government, who have also sponsored an expert working in FAO for six months. That will lead to an FAO Technical Consultation in October of the year 2000 and, finally, to the proposal for a Plan of Action to the Twenty-fourth Session of COFI in February 2001. So, I would not like you to think that nothing is being done. Really, quite a lot is being done. We need, however, to give this subject much more emphasis in the document because clearly it is one that is important to Member Nations, and that is not demonstrated by the way we have written it up so far.

There was one point made, I think, by the distinguished delegate of Peru who was concerned about the reduction of resources for Programme 2.2.2., which is Food and Agricultural

Information. I would like to emphasize that that is not a reduction in resources in real terms because, in fact, what we have done there is restructure Programmes 2.2.2 and 2.2.3. So, it is effectively a transfer of the Early Warning System out of 2.2.2 into 2.2.3, so there is not a reduction in attention to Food and Agricultural Information.

The distinguished delegate of Algeria mentioned the External Auditors' Report. I am not sure which aspect he was addressing in particular. The External Auditors' Report appears in C 99/5, which are the Audited Accounts for the Organization. Various aspects of that Report affect the Budget. For example, there is the reference to accrual accounting for personnel-related liabilities and the funding of the unaccrued portion of end-of-service benefits. These have been taken into account in the provisions for 2000-2001. There is the reference to a review of support costs and how that can be affecting the relationship between the Budget for the Regular Programme and support to the field. I can confirm that work has started on that. A paper was presented to the Finance Committee last September, that is FC 93/4. If you wish to see it - it is on the Web. A further report will be going to them in the year 2000. Currency exchange arrangements are being examined as recommended by the External Auditor, with a view to implementing some changes in 2000-2001. There we will, of course, be consulting the Finance Committee in the year 2000. But if you have some specific issue which you want me to address, please do not hesitate to raise it.

I think that is all that really can be seen as questions. One last aspect, there have been several references to transfers from the technical chapters, that is Chapters 2 and 3, particularly 3.1, to the administrative chapters. I would just like to clarify that this document, this budget proposal, does not propose such transfers. Those transfers related to performance in 1998-99, when we found that we had two areas uncovered – one was part of the costs of developing Oracle and the other was a decline in support cost income – which obliged us to reduce expenditures in various areas. But these are very much temporary phenomena which will not be reflected in the long-term. The Secretariat fully agrees and supports the general view, which of course is that the technical programmes have priority, and must be given that priority in implementation.

#### **José ROBLES AGUILAR (México)**

Pido disculpas si el Sr. Wade ya ha abordado este asunto, pero lamentablemente por tener que cubrir otros compromisos en algunos momentos he estado ausente de la sala. Me refiero al Proyecto de Resolución que está incluido en el CL 117/LIM/3, sobre cómo se asignaría la cobertura de algunos adeudos. Varios países han expresado muchas dudas sobre esta cuestión. Nos gustaría saber, vuelvo a repetir, si el Sr. Wade no lo ha abordado, cómo se ha manejado esta cuestión en otros presupuestos, y cuál sería el fundamento de este Proyecto de Resolución, porque entendemos que aquí se están tomando decisiones sobre ingresos que la Organización no estaría segura de recibir.

#### **Ms Małgorzata PIOTROWSKA (Poland)**

I would like to inform you that Poland is for Zero Nominal Growth.

#### **Abdoukarim DIOUF (Sénégal)**

Hier, le Représentant du Pakistan avait posé une question que nous avions nous-mêmes reprise: quel est le mécanisme que le Secrétariat envisageait de mettre en place pour faciliter l'adoption d'un budget de consensus?

#### **Tony WADE (Director, Office of Programme, Budget and Evaluation)**

With regard to the issue of the Resolution on Arrears and the questions raised there, I think the first thing to be clear about is that the Resolution is designed to be dependent upon the receipt of arrears, with one exception, and I will come to that exception in a second.

So, the way it is written, it only gives the authorization to spend once arrears have been received. I am not sure whether you were here when the Session started this morning, but there appears to be good news on that front in that the United States Congress appears to have reached a deal with the Administration, which might allow arrears to be paid.

The exception concerns Item 1 in the list of items in the Draft Resolution, which covers redeployment and separation costs. These are the extraordinary costs associated with termination of contracts prior to their normal end. It is not about normal separation from the Organization; it is about arrangements whereby people leave the Organization earlier than they might otherwise do, given their contractual relationship with the institution.

The proposal in the Resolution is for the same approach as was in fact implemented and approved by the Conference in 1997 for the biennium 1998-99; the so-called US\$ 12 million authority, wherein the Director-General was authorized to incur these one-time expenditures in anticipation of future receipts. The Resolution for 1998-99 actually referred to voluntary contributions, as well as the requirement that Members pay arrears as soon as possible. The Resolution this time is the same in intent; it is slightly different in form, which is that you would be saying that from 1 January 2000, the Director-General could enter into agreements for separations at a cost of US\$ 9 million, and that he would not have to wait for the receipt of payments of arrears before he started that process. You may have been absent when I answered the question, "... but what happens if we pay out before we received payment of arrears?", in the sense of "how does the Organization manage?" This does not normally cause us a difficulty in the sense that our cash flows are sufficient to cover this sort of situation, because we have the Working Capital Fund, because we have a Special Reserve Account, because, of course, we have outstanding debts of various sorts throughout the Organization, which allow us to fund certain expenditures in advance of receipt. This is in actual fact normal during the biennium, in that assessments are not received in a flow that necessarily matches expenditures.

How has this been dealt with in other budgets? I assume that refers to other Organizations. I am not aware of any other case at present, apart from the UN itself, and I do not know what they are going to do. However, the vast majority of UN arrears are in relation to peacekeeping; in fact, the Major Contributor owes less to the UN for the Regular Budget than it does to us, it owes US\$ 95 million to us whereas I think it owes them US\$ 54 million. I am not quite sure how they are going to handle it there.

On the question of Senegal, if I can just say that it is not really a matter for the Secretariat, it is a matter for the Chairman and the Bureau, so that is why I did not respond to that, but I believe the Chairman will address the issue.

## **CHAIRMAN**

I congratulate you all on bringing us to this position, that at 11.20 a.m. on this morning of 16 November, we have concluded discussions on the Programme of Work and Budget. Thank you for that.

Now starts the part of finalizing the conclusions. Whatever discussions have taken place so far do indicate the requirement of further discussions as to how to negotiate, how to navigate this document to a successful conclusion. Very broadly, subject to some other minor points, we have to sort out the issue between the budget level, whether it will be Zero Real Growth or Zero Nominal Growth. Views have also been expressed regarding Real Growth but with always a rider if Real Growth is not possible Zero Real Growth is what the speakers and the delegations and those countries would settle for.

The second question is the Resolution on Arrears. I would like to hear some opinions from the floor as to how we should go about it, before I make any suggestions from my side and from the side of the Bureau.

**E. Michael SOUTHWICK (United States of America)**

We think there is a very clear connection between the budget level and the arrears questions, and we would suggest that those two issues be treated together in a small group that perhaps could be convened by the Chair. I believe that this is a suggestion that has been floating around the room. It is one that we would support.

**Kazuo TANAKA (Japan)**

I think it is very sensible that since we have divergent views on the level of the budget and also on the Resolution on Arrears, it is sensible that we have perhaps a small group of another Friends of the Chair or Contact Group, or whatever name that you have, under your guidance to discuss these two issues together – the budget level and on the issue of arrears. In other words, we fully support the opinion expressed by the United States of America, in addition, we would like to propose to have a smaller group so that Mr Chairman could have a little bit more in-depth discussion with those delegates, since we have already clear expressions of the views by major groups of countries.

**José ROBLES AGUILAR (México)**

En la misma línea que los distinguidos delegados de Estados Unidos y de Japón, tradicionalmente este tema se decide casi al final de la Conferencia y como siempre hay posiciones bastante encontradas. Creo que este formato que se ha propuesto es el más adecuado y el que responde a la tradición para solucionar este tema. Lo único que nosotros sugeriríamos sería, como resultaría obvio, que se tomen en consideración las diferentes posiciones y también, si es posible, que hubiera en este grupo que se ha propuesto plantear, representaciones a nivel regional.

**CHAIRMAN**

Under the circumstances, I propose to proceed as follows, subject to your concurrence. Regional groupings may elect two Representatives each for a small Contact Group. This Group has to be chaired by somebody and I would solicit suggestions as to how this may be done.

**E. Michael SOUTHWICK (United States of America)**

We would suggest perhaps one of the Vice-Chairs of Commission II would be a good way to proceed.

**CHAIRMAN**

Any other views? May I then suggest that a Contact Group be constituted with two Representatives from each regional group. Each of the Regional Groups may try to meet immediately and nominate their two Representatives. In accordance with the suggestion received, I propose Mr Bill Doering, Vice-Chair, to head this Group. The Secretary, Mr Qureshi, will inform us where and when this Group can meet at the earliest.

While Mr Qureshi is trying to work on the logistics, I would just like to mention a few words.

We have heard from 45 speakers who have made rich contributions to a very interesting debate, and one which is moving purposefully towards finding a consensus document. A consensus is being targeted very clearly by all the Members. The comments on the balance of resources between programmes, the comments on the budget level and the comments on the Resolution before the Commission regarding the use of arrears are the three principle areas which we have noted.

Regarding the budget level, of those Members who have expressed their opinion, the majority of speakers have supported a Zero Real Growth budget level. However, some of the Members supported a Zero Nominal Growth budget level as a matter of principle or policy applied to all UN Agencies and in view of certain domestic exigencies they have.

The discussions on the Resolution of Arrears dealt with the question of legality raised, and Mr Wade has dealt with this question. However, the conclusion is to be reached as a matter of consensus in the Group we have formed just now.

I understand that this Group can meet in about 15 minutes' time if it is feasible for the Regional Groups to nominate persons. I see the United States of America – the distinguished delegate of the United States of America has the floor.

**Mrs Laurie J. TRACY (United States of America)**

Correct me if I am anticipating something that you were about to mention, but could you let us know what will be the fate of the discussions that began in the other Friends of the Chair group on the Strategic Framework? Are there going to be continued discussions today?

**CHAIRMAN**

I wanted to come to that at the end of these discussions, but since you have raised the issue, I will do so in a minute or two.

I think since we are on the question of the Programme of Work and Budget and the Resolution on Arrears, I would like to get that cleared first.

As I mentioned, it is possible to meet to arrange a venue and interpretation in about 15 minutes' time, if the Regional Groups are ready with their nominations or can be ready before that time. Do I hear any responses from the Regional Groups?

**Abdoukarim DIOUF (Sénégal)**

Nous avons pris note de la proposition que vous avez faite, de vos propositions fort sages, mais je crains que les quinze minutes que vous nous avez imparties ne soient pas suffisantes pour nous permettre de mener une consultation au niveau de notre Groupe régional. Je voudrais tout d'abord savoir quelle sera la durée de cette réunion qu'on envisage de tenir, parce que si on doit se réunir pendant cinq minutes pour discuter de la procédure, il faudrait peut être se mettre d'accord avec vous pour qu'on puisse se rencontrer dans quinze minutes. Mais si la réunion doit aller au delà de 12 heures 12.30 heures, alors je crains que cela ne soit possible, d'autant plus que le Groupe africain a une réunion très importante à midi. Je voudrais vous demander des précisions à ce sujet.

**Asmani ALBANO (Tanzania, United Republic of)**

Can the Secretariat guarantee that the meeting of G-77 will have interpretation facilities in the Malaysia Room, and when, so that I can announce here the timing and place.

**CHAIRMAN**

The meeting of G-77 for the selection of nominees?

**Mohammad Saeed NOURI-NAEENI (Iran, Islamic Republic of)**

As far as the Group of 77 is concerned, I suggest that if the distinguished Chairman of G-77 specifies where he is, then the Chairpersons of the different Regional Groups can contact him and inform him of the names of the Representatives of the Contact Group. Then, we can come back at 14:30 hours as you suggested, and decide what to do and where to have our meetings, because I am not sure we can do it before 14.30 hours.

**Asmani ALBANO (Tanzania, United Republic of)**

The Chairman of G-77 will be available immediately in the office of G-77 for the Chairpersons of the Region.

**CHAIRMAN**

Do we then take the position taken by the distinguished delegate from the Islamic Republic of Iran, that the nominations from the different Regions will be taken up in the meantime, that we meet at 14:30 hours, here in Plenary? Thereafter, the Representatives will meet at a suitable venue and time.

Regarding the point of the Friends of the Chair Group, which was dealing with another matter, another Agenda item, this Group will meet at 15:00 hours provided the Plenary here is suspended, and the venue will be confirmed at 14:30.

*The meeting rose at 11.40 hours.*

*La séance est levée à 11 h 40.*

*Se levanta la sesión a las 11.40 horas.*

# CONFERENCE CONFÉRENCE CONFERENCIA

**Thirtieth Session  
Trentième session  
30o período de sesiones**

**Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999**

**FOURTH MEETING OF COMMISION II  
QUATRIÈME SÉANCE DE LA COMMISSION II  
CUARTA SESIÓN DE LA COMISIÓN II**

**16 November 1999**

**The Fourth Meeting was opened at 14.50 hours  
Mr Bhaskar Barua,  
Chairman of Commission II, presiding**

**La quatrième séance est ouverte à 14 h 50  
sous la présidence de M. Bhaskar Barua,  
Président de la Commission II**

**Se abre la cuarta sesión a las 14.50 horas  
bajo la presidencia del Sr. Bhaskar Barua,  
Presidente de la Comisión II**

**CHAIRMAN**

With your permission, I propose to commence the proceedings this afternoon. At the outset, Mr Qureshi, the Secretary, has an announcement to make.

**SECRETARY, COMMISSION II**

Just very quickly, I apologise for taking more of your time. I have a couple of announcements to make. With regard to the Programme Implementation Report, I would just like to announce that Angola has handed a statement in with regard to the PIR, and have asked for it to be added to the record. Similarly with regard to the Programme Implementation Report, I would like to mention that Poland has handed in a written statement for inclusion in the record. This is for your information.

The only other announcement I would like to make is to confirm that the Drafting Committee of this Commission will meet, as indeed is mentioned in the Journal of the Day, at 18:00 hours in the Mexico Room.

**CHAIRMAN**

I would now request Ms Kay Killingsworth to introduce the Strategic Framework.

**PART II - PROGRAMME AND BUDGETARY MATTERS (continued)****DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET  
(suite)****PARTE II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**15. Strategic Framework 2000-2015** [(C 99/12); C 99/12-Corr.1 (Spanish only); C 99/12-Sup.1; C 99/LIM/7]

**15. Cadre stratégique 2000-2015** [(C 99/12); C 99/12-Corr.1 (espagnol seulement); C 99/12-Sup.1; C 99/LIM/7]

**15. Marco Estratégico para el 2000-2015** [(C 99/12); C 99/12-Corr.1 (sólo español); C 99/12-Sup.1; C 99/LIM/7]

**Ms Kay Killingsworth (Special Adviser, World Food Summit Follow-up)**

The document before you, C 99/12, is submitted to the Conference in accordance with the Conference's Resolution 6/97, which launched the process of preparing a Strategic Framework to guide FAO's work in the coming fifteen years. The content of the proposal which is submitted for Conference discussion and approval represents the fruit of almost two years of intensive dialogue and consultation, first within the Secretariat and subsequently with and among Members as well as with external partners. The Conference had directed that the process should be carried forward in the framework of existing structures and should be fully participatory, involving the whole membership of the Organization. Accordingly, successive versions of the document have been discussed at no less than thirteen inter-governmental meetings so far.

Just a little history. Version 1.0 was prepared by the Secretariat during 1998, and it was discussed by the Programme and Finance Committees and the Council during that same year. The comments made by those Bodies were taken into account in preparing Version 2.0 for discussion by FAO's Technical Committees, which are open to the whole membership, as well as by the Ministerial Meetings on Forestry and Fisheries.

Following all of these debates, Version 3.0 was submitted to the Programme and Finance Committees and the Council, which met in June of this year.

So, Version 4.0, which is now before you, incorporates comments and recommendations made by that Session of the Council on Version 3.0. In particular, the Secretariat has endeavoured to introduce into the strategies to address Members' needs, that greater focus and coherence which

had been requested by the Council. This has involved consolidation of Strategy Elements, clarification of FAO's Comparative Advantages and provision of more specific information on Partnerships.

There is a Supp.No. 1 to the document, which contains an extensively revised section on Partnerships which had been originally tabled as an annex to Version 3.0. Supp.No. 1 also contains supporting material based on the Secretariat's original analysis which had been made in 1998, before the preparation of Version 1.0. I would like to stress that that supporting material has not been revised since. As it is not submitted for the approval of the Conference, it is merely given to you as background for the process.

There was to have been a Supp.No. 2, which would have contained a revised version of an annex on Regional Perspectives, which had been considered by the June Council, but as the Secretariat has not yet received comments and amendments from all of the Regional Groups, it has not yet been possible to issue this supplement. In any case, the document before you for approval is C 99/12, the supplements are background material.

The Council last week considered Version 4.0, taking into account also the views and comments made by the Programme and Finance Committees at their September Sessions, and the Council Report is also before you in document C 99/LIM/7.

I will stop here and just add that the Secretariat stands ready to do anything possible to facilitate the discussion by the Conference on this Item.

#### **CHAIRMAN**

Distinguished delegates, the Conference begins now what should be the concluding debate on the Strategic Framework. We are aware, and it has just been recalled, that this document has gone through several drafts in order to reach the shape in which we have it today. We are also very conscious of the importance of reaching a consensus among the Membership about this document in order to guide the work of FAO in the coming years. Precisely because it is so important to reach consensus, I do not intend to open our debate today. Yesterday a group of Friends of the Chair met and had a very productive discussion about how to proceed. This Group will meet again this afternoon. It comprises Representatives from all Regions, and I trust that it will make good progress in identifying and proposing solutions to allay any residual concerns among the Members about the text we will eventually approve. In that way, I have confidence that we can have a productive debate tomorrow.

I mentioned concerns among Members about some parts of the text. I believe it is generally recognized that some changes to certain paragraphs may be necessary in order to permit a consensus approval. On the other hand, we are all aware of the constraints of time. We are also conscious of the fact that it would be very difficult to accommodate every modification which might be proposed by one or more individual delegation. It will, therefore, be necessary, rather essential, I would say, to concentrate on addressing those issues which are of major concern.

In the Group meeting yesterday, we identified several ways in which many concerns could be addressed, for example, the report of our debate, which will be the Report of the Conference, or in the supplement on Regional Perspectives, which have not yet been finalized. If we can all keep in mind that we have at our disposal these additional means of reflecting views, I believe it should be possible for our small Group to see whether agreement could be reached on a limited number of modifications to the text of Version 4.0, which Members believe to be absolutely essential. Therefore, I wish to urge all delegations here to ensure that the Regional Representatives in the Group of Friends of the Chair are aware of any major concerns that they have. I am sure you would agree that it would be unfortunate if the Group did reach an agreement only to find tomorrow, when we open the debate here in the Commission, that all proposals, changes to the text, are forthcoming.

To recapitulate, the Group of Friends of the Chair will meet this afternoon to see whether it is possible to agree on some modifications, and I do believe it will be possible to do so, to the text of Version 4.0, to facilitate a consensus approval of the document. Tomorrow we will have a discussion on the Strategic Framework, and delegations will be able to express their views in detail. We will prepare a Report on their discussion which will be placed before the Commission for adoption at the end of its work and will remain in the Report of the Conference. I, therefore, appeal to all concerned to adopt a very constructive approach. We should place ourselves in the position of the others and see how best we can take the process forward so that at the end of the day we have a consensual position.

The Friends of the Chair has already been constituted. We will meet in five minutes' time in the Malaysia Room. The intention is that we meet in five minutes' time and go on until 18.00 hours. Hopefully, by that time, the consensus will have been arrived at. I request the Secretary to make a couple more announcements regarding the Contact Group for the Programme of Work and Budget and a couple of other matters.

## **SECRETARY, COMMISSION II**

I shall be brief again. To confirm that the Contact Group, which was established this morning at the request of the Chairman to discuss the Programme of Work and Budget and related matters, the list of names that I have for Membership of that Contact Group are as follows: Islamic Republic of Iran, Egypt, Germany, France, Finland, the United States of America, Malaysia, Bangladesh, Japan, South Africa, United Republic of Tanzania, Peru, Argentina and Canada, who will also Chair the Group. This Group will meet immediately after the cessation of this Session in the Lebanon Room on the 2nd floor.

## **Brett HUGHES (Australia)**

I just wanted to say that Australia, on behalf of the Southwest Pacific Region, would also wish to be involved in the Contact Group on the Programme of Work and Budget.

## **CHAIRMAN**

The Contact Group will meet immediately after this, and we expect that the Chairman of the Group will be able to come up with the results, the agreed conclusions, and it will be necessary for the Chairman of the Group to report back to the Commission, which will be done tomorrow after we convene in the morning at 9.30 hours.

The Friends of the Chair will meet immediately after this, and in all likelihood I will be there and we will take it from there.

***The meeting rose at 15.05 hours.***

***La séance est levée à 15 h 05.***

***Se levanta la sesión a las 15.05 horas.***

# CONFERENCE CONFÉRENCE CONFERENCIA

**Thirtieth Session  
Trentième session  
30o período de sesiones**

**Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999**

**FIFTH MEETING OF COMMISSION II  
CINQUIÈME SÉANCE DE LA COMMISSION II  
QUINTA SESIÓN DE LA COMISIÓN II**

**18 November 1999**

**The Fifth Meeting was opened at 10.10 hours  
Mr Bhaskar Barua,**

**Chairman of Commission II, presiding**

**La cinquième séance est ouverte à 10 h 10  
sous la présidence de M. Bhaskar Barua,  
Président de la Commission II**

**Se abre la cuinta sesión a las 10.10 horas  
bajo la presidencia del Sr. Bhaskar Barua,  
Presidente de la Comisión II**

**PART II - PROGRAMME AND BUDGETARY MATTERS (continued)**  
**DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET**  
(suite)

**PARTE II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**15. Strategic Framework 2000-2015** [(C 99/12; C 99/12-Corr.1 (Spanish only); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continued)

**15. Cadre stratégique 2000-2015** [(C 99/12; C 99/12-Corr.1 (espagnol seulement); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (suite)

**15. Marco Estratégico para el 2000-2015** [(C 99/12; C 99/12-Corr.1 (sólo español); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continuación)

**CHAIRMAN**

With your permission I would like to start this morning's session of Commission II. We will begin with a report from the Friends of the Chair Group, which was considering the Strategic Framework Agenda item. I request Ms Killingsworth, Special Adviser, who is sitting on my right, to briefly report what happened.

**Ms Kay KILLINGSWORTH (Special Adviser, World Food Summit Follow-up)**

The Group of Friends of the Chair yesterday agreed on some amendments to the text C 99/12 for submission to the Commission, and with your permission, I will read out the amendments which were proposed yesterday. We have made available translations of these amendments to the interpreters, and therefore hope that the amendments, which I will read out, will come through clearly for you, in all languages.

The first amendment is in paragraph 30 of the document. Paragraph 30 will now read, as redrafted, as follows:

"... FAO's Regular Programme is the basis and starting point for formulation of the Strategic Framework. The strategies to address Member's needs are rooted in normative work, complemented by operational activities requested by Member Nations, maintaining an appropriate balance between the two ..." That, Mr. Chairman, was the first and, in fact, longest of the agreed amendments.

Another small amendment was made to paragraph 31, the paragraph immediately following, where the proposal is to delete two words in the first sentence, and those two words are "certain critical".

In paragraph 154, the Group wish to add the following text at the end of the first bullet. This text would read: "... keeping in view the need to maintain a balance between normative and operational activities ...".

In Paragraph 39, it has been proposed that we add a few words at the end of the first bullet, and these words would be: "... the TCP ..." so that the phrase in parentheses would now read, "... (e.g., through the TCP and the SPFS ...)".

Those were the amendments in the text which the Group had yesterday come to an agreement upon. There remained no agreement on paragraph 76. I request your clarification whether you wish to give more background on this issue before we read any text, or whether you wish me to read the text.

We had a text of the final sentence of paragraph 76 with some additions, but which had not received a final agreement and for which there are two versions of alternative additional amendments.

The first part of the last sentence of paragraph 76 as it exists in the present text reads, "... This implies adopting policies and actions which contribute to efficient and socially desirable management of land, water, fisheries and forestry resources and which ...", and here would come some additional text, "... considering in the context of SARD the multi-functional character of agriculture, and consistent with all relevant international agreements, enhance its positive and mitigate its negative impacts on the environment and natural resources, and which ...". At this point there were two alternative formulations on the table. One which read "... and which are targeted, cost-effective, transparent and do not distort production and trade ...". The other option was "... and which should be transparent and well-targeted while avoiding trade distortions ...".

I hope that that has come out clearly in all languages. We will clarify if it has not, but I would turn back to you at this point.

**CHAIRMAN**

I think that has come through clearly. Are there any doubts?

**Humberto MOLINA REYES (Chile)**

Agradezco mucho la Secretaría por el resumen que ha hecho de nuestros esfuerzos durante largas y largas horas de conversación. Me parece que faltó una pequeña enmienda y que no mencionó la Secretaría, puede ser que yo tenga mis notas equivocadas pero según lo que expliqué claramente en esta reunión también están los números 69 y el 78. La idea era, mientras no obteníamos solución en el 76, los párrafos 69 y 78 estaban condicionados.

**CHAIRMAN**

Yes, it is correct that references were made to paragraphs 69 and 78 by the distinguished delegate from Chile. However, 69 and 78 were not discussed, and as such, we have no other text except the one in the document to present here or to mention here. That, I hope explains the situation.

**RHO Kyeong-sang (Korea, Republic of)**

I need clarifications. According to my understanding on the discussions which we had yesterday, there is only a small difference between two groups. Under the last part of the latter sentence, for example, one part is saying that "... and which should be transparent and well-targeted while avoiding the trade distortions ...". Another group is insisting that "... and which are transparent, cost-effective and well-targeted to not distort the trade...." I remember that what the two groups avoided, the first part of the last sentence, but the only difference is "... while avoiding the trade distortion ..." and the other one is "... to not distort the trade...." I need a clarification on this one.

**Ms Kay KILLINGSWORTH (Special Adviser, World Food Summit Follow-up)**

I think that the countries in question who made the different proposals may be in a better position than I am to explain the difference they see in these two different formulations.

**CHAIRMAN**

We open the discussion on the Agenda item in the document on Strategic Framework. I would suggest and regret, distinguished delegates, that while there can be no bar on discussing or touching upon any other part of the document in question, I would suggest that since many hours have been spent by a lot of my friends on the amendments which were mentioned by Ms Killingsworth, it may be worthwhile to initially take up discussion on paragraph 76, and as the distinguished delegate from the Republic of Korea mentioned, the differences could appear, from some points of view, to be small. It is maybe worthwhile to concentrate on the last part of the last sentence of paragraph 65.

While saying that, I would make it absolutely clear that obviously there is no bar to discussing any aspects or any other part of the document either.

### Humberto MOLINA REYES (Chile)

Creo que es bueno recordar porqué estamos aquí, el distinguido Representante de Corea nos ha suscitado que mostremos cuál es la diferencia que existe entre dos pequeñas palabras hacia el final de un párrafo. En realidad, esto tiene un origen un poco más largo, por lo tanto pediría un par de minutos para explicar cuál es la diferencia sustantiva.

En el 116o Consejo examinamos la Versión 3.0 del Marco Estratégico. Se hicieron una serie de observaciones y surgió la Versión 4.0. Esa Versión 4.0 fue examinada por el Comité de Finanzas y el Comité de Programas de manera conjunta. El informe de dicho Comité conjunto declaró que no existía acuerdo. Segundo elemento, entre la Versión 3.0 y la 4.0 surgió un concepto que aparece en el párrafo 76, el carácter multi-funcional de la agricultura. Tercer elemento, hemos examinado un informe de la Conferencia Técnica de Maastrich en el 117o Consejo declarando que no existe consenso sobre el tema y se declaró el carácter informativo al documento, es decir, ya arroja un claro mensaje que no hay consenso ni acuerdo sobre este concepto. Cuarto elemento, numerosos países han dicho que este es un concepto que no está definido todavía puesto que sólo aparece a nivel de título en dos acuerdos internacionales ampliamente apoyados, esos son: la Agenda 21, Capítulo 14, el primer sub-programa en la mitad del título aparece el carácter multi-funcional de la agricultura; el Capítulo 14 tiene doce sub-programas, habla sobre el desarrollo agrícola y rural sostenible, no habla sobre el uso del carácter multi-funcional de la agricultura para alcanzar el desarrollo sostenible. Además en el Plan de Acción de la Cumbre Mundial de la Alimentación aparece al final del título del tercer compromiso. Tuve el privilegio, como muchos otros que están aquí presentes, de participar intensamente en todos los debates que se coronaron con éxito en el Plan de Acción de la Cumbre Mundial de la Alimentación, y la propia Declaración de la Cumbre Mundial de la Alimentación reconoce al final, y enumera los siete compromisos, siendo un conjunto armónico sobre el cual se alcanzó un consenso pleno; se reconocieron todas las diferencias y todos los aspectos que eran necesarios desarrollar para combatir el hambre y la malnutrición y alcanzar la meta definida por los Jefes de Estado en noviembre de 1996. Quinto elemento, una serie de países, encontrando difícil de aceptar este documento tal cual está, propusieron en este Plenario la creación de un Grupo de Amigos del Presidente, ya propuesto en el 117o Consejo; con buena voluntad entramos a conversar los puntos sustantivos.

La Región de América Latina, como consta en el *Verbatim* del 117o Consejo, tenía innumerables observaciones y teníamos por cierto, el genuino derecho de haberlas planteado en aras de alcanzar un consenso y un compromiso y porque entendemos que el Marco Estratégico es un elemento importante en la orientación estratégica de esta Organización, hemos prácticamente olvidado todas estas observaciones. Claramente dijimos que existían temores que este concepto pudiera ser instrumentalizado y crear fricciones fuera del ámbito de esta casa. Además dijimos que teníamos problemas en algunos párrafos, nuestra opción es borrar la palabra *carácter multi-funcional de la agricultura* aún cuando ya en el párrafo 69 y en el 78 aparece el concepto de las diversas funciones de la agricultura y la necesidad de desarrollar sinergías entre ellas. Por lo tanto, no es que nos estemos oponiendo a reconocer que la agricultura pueda tener diversas funciones, el problema es que tenemos que eliminar fantasmas y allí está la razón del porqué hemos dicho abiertamente en este Grupo de Trabajo que debíamos llegar a un balance que es muy difícil lograr cuando un grupo de países quiere que algo se mantenga, como ha aparecido en este proceso y cuando otros países dicen que les complica y les crea problemas.

Nosotros y en representación de varios países tenemos el mejor espíritu de cooperación para avanzar, y creemos que el Marco Estratégico es un instrumento útil y podrá ser muy eficaz si es aprobado por consenso, reflejando todos los intereses y preocupaciones de los Estados Miembros de la FAO.

Si no encontramos acuerdo en esos párrafos específicos es muy simple, señor Presidente, significa que el Marco Estratégico debería aprobarse sin estos tres párrafos que le acabo de mencionar. Todo lo demás es válido e importante, porqué vamos a hipotecar el futuro de esta Organización a través de la diferencia que tenemos en estos tres párrafos; si los mismos que han dicho que quieren mantener este concepto dentro del texto nos han dicho que este es un documento flexible, perfeccionable en el futuro. Las puertas están abiertas, dejemos este concepto fuera mientras no se logre un acuerdo sobre él y una vez definido podrá ser incorporarado en cualquier momento. El problema es que no sabemos de qué estamos hablando puesto que en estos dos documentos centrales la única referencia técnica y formal no dice el cómo, cuándo, a través de qué, desarrollar el carácter multi-funcional de la agricultura, por lo tanto, me temo que estamos yendo más allá de lo que es el mandato de esta Organización, puesto que las decisiones de este organismo multilateral deben ser siempre logradas a través del consenso y, si mal no recuerdo, el mandato de esta Organización es alcanzar la eliminación del hambre y la malnutrición y no estoy tan seguro que el carácter multi-funcional de la agricultura esté destinado o dirigido a este propósito tan noble que tiene esta Organización.

**Ms Ulla-Maija FINSKAS (Finland)**

I first raised my flag in order to ask for a Point of Order, because I do not think that this is the place, nor the time, to continue this discussion of the relevant merits of a certain concept, which we could continue to talk about until the next Conference. But, I would like to stop here and just keep to my statement, which I originally had thought to read out later.

We have come a long way in approving the Strategic Framework but, in spite of the amount of work that has gone into preparing the Strategic Framework both by the Secretariat and by us all individually, a lot of changes were proposed at the last minute, which have caused this delay in addressing this item on the Agenda. You have, Mr Chairman, done your utmost to move us forward and we thank you for that.

Two years ago, the Members gave the FAO Secretariat the mandate to prepare the Strategic Framework. All of us know that Version 4.0 of the Strategic Framework is good, although not perfect. It is not a negotiating document like, for instance, was the World Food Summit Plan of Action, and consequently it should not be read word by word.

The EC and its Member States think that the Strategic Framework is to be seen as a guideline for our work in the years to come as the Organization needs the guidance from the Membership to get on with its work. The Strategic Framework is not about creating new commitments and obligations, but to provide guidance. FAO needs to be able to address all issues of concern to its mandate and to provide a good basis for progress, even on controversial issues. All issues need to be worked out by FAO in order to gain clarity. This Conference and the discussion on the adoption of the Strategic Framework is not the right place to debate the relative merits of specific concepts.

As I just indicated, the European Community and its Member States made a point in the Hundred and Seventeenth Council that the Strategic Framework could still be much improved, and other Members certainly share our view. I do not, however, want to repeat what we said during the Hundred and Seventeenth Council on this issue, because it is all to be found in the Verbatim Records of the Council and the points mentioned are still valid, with the questions to which we did not receive answers by the Secretariat.

Without burdening the Conference with our amendments, we have taken on board the amendments suggested by the G-77. Therefore, for the sake of compromise, and in the spirit of concession, we are willing to go along with the changes proposed for paragraphs 30, 31, 35, 39 and 154, as read out by the Chairman. We strongly feel that we need to move on and look into the future. Therefore, we urge all Members to approve the package with the amendments mentioned, and to approve the text *en bloc* by consensus.

Consequently, we firmly believe that it is now time to turn our eyes to the future and to further the new planning mechanism of FAO. This is why the adoption of the Strategic Framework at this Conference is absolutely vital. The Organization needs to move on to the next phase, which is the preparation of the Medium-Term Plan. We take the Medium-Term Plan as a possibility to refine the proposals of the Members and to consolidate the components and ideas of the Strategic Framework to the essential activities in which FAO's comparative advantage lays.

The MTP should, for instance, establish the criteria for priority setting at the level of actions and outputs which we find important. We are confident that, while preparing the Medium-Term Plan, the Secretariat will take into account the recently-established Forestry Strategy and the recommendations of the Ministerial Meetings on Forestry and Fisheries. These are just waiting to be incorporated in this work.

Furthermore, the European Community and its Member States have given their own list of priorities in the statement on the Programme of Work and Budget at the Council last week.

In conclusion, the EC and its Member States would like to reiterate their support for the new planning mechanism of FAO. The Strategic Framework is the first step in the fundamental overhaul of the Organization's system for planning, budgeting, evaluation and reporting. Thus, we once again underline the need for a consensus spirit. The links and division of labour between the five tools of the planning mechanism are important. We support the results-based orientation, and we take a very close interest in the further development of the system. Please also refer to paragraph 76 on the consensus proposal which we have submitted as a consensus to be approved.

### **CHAIRMAN**

The distinguished delegate had raised a Point of Order but then had gone on to make a statement. Do I take it that the Point of Order raised can be treated as non-operative?

### **Ms Ulla-Maija FINSKAS (Finland)**

We still think we should not go into this debate on this concept, whatever relevant merits it has, but we should discuss the Strategic Framework and the future of FAO.

### **CHAIRMAN**

It is not a Point of Order.

The kind words the distinguished delegate from Finland had for the Chair are acknowledged, and extended to all the friends who assisted in going through this question at great length.

### **Paul ROSS (Australia)**

I certainly do not wish to engage in a discussion of the substance. I can support my Finnish colleague on that point.

There are a few things I would like to make this Commission aware of. Firstly, let me say that we very much appreciate your efforts in this Contact Group. We started out with what we thought would be a very daunting task and, through a constructive and active involvement of all the Members of the Group, we were able to bring that task down to a manageable level. We did well to achieve agreement on what was presented here, today, in terms of everything except with regard to paragraph 76.

My Korean colleague suggested at the beginning of this debate that there perhaps were only minor differences between some wording with regard to avoiding trade distortions and our preferred wording of: "do not distort production and trade". But as my Chilean colleague very eloquently pointed out, these words mask some very fundamental, serious differences which we were not able to reconcile in our Contact Group.

Australia and the Region we represent are very concerned by this phrase: "multi-functionality". Some countries in other fora use this term in a way to justify continued protectionism, and we are

very concerned by that. The continuation of protectionism and access barriers is not in the interest of the developing country Members of FAO. These countries need full access to and participation in the global trading system to be able to develop their agriculture and achieve their full potential. There was a suggestion that this concept is contained within the World Food Summit Plan of Action, and we accept that. It is an undefined reference and there are references to many other things in this World Food Summit Plan of Action. It is a vast and wide-ranging document.

As I have indicated, the issues surrounding the concept of multi-functionality are currently the subject of a very divisive and political debate in other international fora. These discussions are at a very preliminary stage and there is no agreement on what the concept may mean. That is not to say that we are suggesting that no work be carried out on this concept. In fact, we would like to point out that FAO has already responded to this political commitment.

In fact, a Conference to address the very subject was held only a few months ago. The outcome from that Conference, which is reflected in the report of the Council held here only last week, was that there was no consensus for FAO undertaking further work on the concept of MFCAL. There was, however, strong support for FAO continuing its work in furthering the SARD concept, and we strongly support that.

The point is that there is no universal understanding or acceptance of the term multi-functionality. Therefore, we consider it would be inappropriate to include such a term in a document that my Finnish colleague rightly pointed out, is intended to be a guideline for the future work of FAO. The Strategic Framework document is not meant to be static. It should reflect only what is generally accepted by FAO Members at the present time. Future reviews of the document will accommodate any future changes in the international environment.

So, through many hours of debate, we have come to a point where we do not have agreement on paragraph 76. I would hate to think that we would throw the baby out with the bathwater. We consider the Strategic Framework document to be a very important milestone in FAO's history, and we would hate to see agreement on that document jeopardized by this disagreement over paragraph 76.

I am not sure where we go from here. Perhaps we could ask the Secretariat for advice as to what options are before us, given this disagreement.

### **CHAIRMAN**

Taking up the suggestion contained in the concluding part of the statement of the distinguished delegate from Australia, I would now like to request Legal Counsel, who is present here today, to give us a clarification on the issue raised.

### **LEGAL COUNSEL**

It is intended or envisaged that the Strategic Framework should be adopted by this Conference, and I understand it is envisaged that it should preferably be adopted by consensus.

If you are unable to reach consensus on paragraph 76, and in particular on the inclusion of the reference to MFCAL, I think you have two options before you.

The first option would be to vote on this matter, here or in Plenary. I understand, however, in view of the fact that you have envisaged adopting the Strategic Framework by consensus, and this is a divisive point, that you may not wish to vote on it but try to do things, so far as possible, by consensus.

I would then come to what I see to be the second option and that would be to place the original words, the original reference to MFCAL, in brackets in your text, with a footnote indicating that the Conference was unable to reach consensus on the inclusion of these words. If you did this, you may then be able to adopt the Strategic Framework in its entirety by consensus.

**CHAIRMAN**

I would expect that further interventions by distinguished delegates would be informed by what we have heard just now.

**Anton KOHLER (Switzerland)**

It is right, we have discussed at length yesterday and, as far as the European Region is concerned, especially as regards Switzerland, we can fully support what has been said by the European Community. I would like to add one more word with regard to Australia's intervention. We feel in line with his argument that multi-functionality, as such, should not be understood as an instrument of protectionism. That is why the wording is slightly different. We use the concept, the multi-functional concept of agriculture which is relevant for this Organization. We are not just talking about multi-functionality generally. We are referring to the FAO mechanism and to the FAO understanding which has to be further clarified. We agree on that, multi-functional character of agriculture. In our text of paragraph 76 we pointed to that very fact and we had consensus on it, that it should be consistent with all international agreements. So, the question remains, why the fears?

A third point I would like to add. If we come to the conclusion that we should add a footnote, then we had a third option yesterday and I feel that we have come back one step in our consensus which we reached yesterday. As far as I understand, we have reached consensus with regard to paragraph 76 on the first sentence. We still have not reached a consensus on the last sentence, where we have this slight difficulty of interpretation. Therefore, should there be a footnote added, we pointed to the possibility in our Group, Friends of the Chair, that only the last sentence should be referred to in the footnote, and that would then allow us to find a consensus in here.

**CHAIRMAN**

I am sure he meant the sentence, because it is one sentence basically, and he meant the last part of the sentence.

**Ariel FERNÁNDEZ (Argentina)**

No vamos a hacer extensa nuestra declaración sobre el particular y nos vamos a expedir en este momento sobre las propuestas del Consejero Legal porque estimamos que en primer lugar debemos tratar la propuesta de nuestro Grupo y posteriormente tenerlo como un elemento adicional para continuar buscando esfuerzos negociadores en el marco del Grupo que se ha formado a tales efectos.

Como bien había afirmado el distinguido Representante de Chile, nuestra preocupación no está concentrada solamente en el párrafo 76 sino en el 69 y 78 que, con palabras similares, tienen exactamente el mismo efecto, el mismo resultado. Se recordaron los esfuerzos que hizo la Organización en pro de llegar a una Conferencia y obtener en ella resultados, destacando asimismo los numerosos resultados positivos que hubieron en la Conferencia de Maastricht; no obstante ello, no hubo acuerdo sobre qué es el carácter multi-funcional de la agricultura. En principio no hubo acuerdo porque, como recordó una distinguida delegación aquí durante el Consejo, muchas de las cuestiones que están incluidas en lo que aparentemente sería el carácter multi-funcional de la agricultura, nuestros agricultores ya las llevan a cabo hace cientos o miles de años. Por lo tanto en un principio nuestra delegación, abordando el análisis del carácter multi-funcional de la agricultura, no encuentra nada nuevo, nada absolutamente nuevo. Se han mencionado algunas de las funciones de este carácter multi-funcional, algunas de las funciones tienen que ver con actividades y con programas que se desarrollan en nuestras Agencias de las Naciones Unidas. Aquí hemos reiterado muchísimas veces que debe existir una necesaria coordinación y sinergías en el marco de las Agencias de Naciones Unidas. Algunas de esas cuestiones incluidas en lo que se intenta definir es mandato de otras organizaciones. Pero, no obstante eso, durante las sesiones plenarias muchos de nuestros ministros en sus declaraciones se

han opuesto al carácter multi-funcional de la agricultura, diciendo que es inaceptable. Otras delegaciones han basado prácticamente el 90 por ciento del contenido de sus declaraciones en el carácter multi-funcional de la agricultura. Esto quiere decir que lamentablemente se nos ha escapado de los aspectos técnicos que se proponían originalmente y es evidente que estamos aquí discutiendo esta cuestión porque tiene orientaciones en esta coyuntura que son no sólo meramente técnicas de modo tal de que lo prudente que podríamos hacer es congelar el tema, sinceramente no vemos espacio como para seguir discutiendo o reafirmando un determinado concepto.

Todos los aquí presentes sabemos que en la historia diplomática hay cuestiones que van surgiendo a lo largo del tiempo, que no necesariamente en un período de pocos años cristalizan los conceptos. Los conceptos para que lleguen a ser universalmente aceptados tienen que ser universalmente discutidos. Nos da la sensación de que hasta el momento no hay claro conocimiento de qué es, qué incluye y cuáles son los eventuales alcances de este concepto.

Dentro de los resultados de Maastricht, tenemos dos párrafos en el informe del Presidente, el 8 y el 16, que ratifican que no ha habido consenso sobre las definiciones de este concepto. Llamo la atención de ustedes para que se lea ese párrafo, ya que el intento que han hecho nuestras delegaciones ha sido de tratar de enmarcarlo en algunos de los aspectos que nosotros consideramos positivos del informe de Maastricht, de modo tal que si vamos allí, al informe del Presidente, veremos en los párrafos 8 y 16 cuál es el verdadero contenido de nuestra propuesta. Si no ha habido avances y el informe de Maastricht tiene estos párrafos, o bien lo consideramos como un aspecto positivo o tal vez éstos no han sido tan fructíferos. Yo no quiero ponerlo en duda porque sí evidentemente han habido resultados y avances positivos, pero parecería que estamos demasiado apresurados en concentrarnos en este concepto que no tiene, vuelvo a insistir y subrayo, no tiene aceptación universal. Y como no tiene aceptación universal y como bien lo ha dicho la distinguida delegación de Canadá, de Australia, Chile, etcétera, podemos seguir dentro de la flexibilidad del Marco Estratégico, intentar incorporarlo más adelante, una vez que haya al menos una masa crítica importante de conocimiento sobre este tema, de modo tal que nuestra delegación seguirá apoyando constructivamente el Marco Estratégico porque entendemos que es de suma importancia para la Organización junto con los otros tres documentos que se han citado, pero preferiríamos que tal vez las exigencias, las urgencias que tenemos por la coyuntura la podamos poner a un costado, tratarla más adelante, tenemos todo un año para tratar con más tranquilidad en las Comisiones y en los Consejos del año que viene, como aproximarnos al tema, porque evidentemente lo que no hemos logrado hasta el momento es encontrar un enfoque para el tratamiento del tema con bases mínimas aceptables por todos los países.

No quiero abundar más en el tema. Subrayo nuestro total acuerdo con lo expresado por las delegaciones de Chile y Australia y cierro con la esperanza de que podamos hacer una reflexión tanto en el grupo de Amigos del Presidente para ver si encontramos una salida aceptable a este tema. Lo que queremos ratificar es que nuestra delegación no pone en duda el 90 o 95 por ciento más del Marco Estratégico, pues lo consideramos mucho más importante; si tenemos una discrepancia, una disidencia con relación a tres párrafos básicos. Hay otros puntos, pero esos tres párrafos básicos que citamos, 69, 76, 78, a nuestro entender tienen exactamente el mismo alcance.

#### **Ms Adela BACKIEL (United States of America)**

We join the other members of the Friends of the Chair group in expressing appreciation for your guidance and your forbearance.

The United States has made a good faith effort to reach a compromise on the controversial phrase in paragraph 76. We regret that this is not possible after more than twelve hours of negotiation.

We see three reasons for disagreement that emerged during these discussions. The first, on a technical level among practitioners and analysts of sustainable agriculture and rural development.

There is an honest desire to extend the work of SARD. These well-intentioned and highly motivated people believe that this work will benefit many people living in rural areas and many countries with large world populations.

Second, among those who see the Strategic Framework as guidance for FAO's work for the next fifteen years, there is an equally honest desire to avoid confusion in the instructions given to the Organization. These people believe that the Organization should not be asked to undertake the work, which does not have the support of most of the Membership. The controversy surrounding the language in paragraph 76 indicates that this work does not yet have consensus support.

Third, and most importantly, the reason why an agreement could not be reached over seemingly minor linguistic differences is a large element of fear. One group, including many countries which depend on agricultural exports, fears that the concept described in paragraph 76 is being used to build a wall which will limit international trade. They see this wall as being built up gradually of small bricks which are inserted into international reports, agendas and agreements in Rome, in Paris, in Geneva and elsewhere. They see this as a threat to their economic development and to their prosperity.

On the other side, there is a fear, which prevents compromise on this point. It may be fear of threat to their rural communities that are dependent on agriculture. It may be a fear of unregulated international trading system. It may be fear of the unknown. For these reasons, no agreement could be reached.

The United States regretfully suggests that the time is not ripe, yet, for inclusion of this concept under this name in the FAO's Strategic Framework. As we have suggested previously, we recommend that FAO focus its work on furthering implementation of SARD, and we agree with the Secretariat that the controversial phrase, in paragraph 76, be bracketed in the framework and that it proceed to adoption at the Conference.

### **Joaquín PÍRIZ JORGE (Uruguay)**

Yo llegué a esta Organización por primera vez hace veinte años y allí se hablaba, sentí un aforismo, creo que chino, en el cual decían que si se le daba a un hombre un pescado lo alimentábamos una vez, si le enseñábamos a pescar lo alimentábamos toda la vida. Después de todo este tiempo transcurrido volví a la Organización y este aforismo se seguía utilizando. Sin embargo creemos, como otros países, que al fin del milenio esto debería modificarse, debería de ser actualizado y agregarle que si le dejas vender el pescado a este hombre le darás además una alimentación equilibrada, salud, educación y vestimenta. Por eso es que nuestro país, junto con otros, damos mucha importancia a la posibilidad de acceder a los mercados internacionales y eliminar todos los subsidios a la exportación y a la producción y las barreras artificiales al comercio. Sabemos muy bien que no es la tarea de la FAO eliminar estas políticas distorsionantes del mercado internacional, pero tampoco podemos permitir que se utilice a la FAO para que desarrolle conceptos utilizables en otras Organizaciones para evitar este proceso de liberalización del comercio. En la prensa internacional de hoy, leímos declaraciones de distintos países que no voy a nombrar pero que todos conocemos, que decían explícitamente que pensaban ir a Seattle a sostener que el carácter multi-funcional de su agricultura lo colocaba en una posición muy particular con respecto a otras actividades económicas y, por lo tanto, debía ser dejado fuera del proceso de negociación. Y es por esto que no podemos aceptar de ninguna manera que la FAO sea utilizada como un instrumento para incidir en negociaciones que se van a iniciar en un momento muy próximo en otros foros.

He escuchado con atención las propuestas que nos ha hecho también el Asesor Jurídico, y no recuerdo que en el ámbito de esta Organización se haya aprobado un documento de esta naturaleza por votación. Supongamos que el 51 por ciento de los Países Miembros está de acuerdo con el Marco Estratégico y el 49 por ciento no. Eso significará que el 49 por ciento de los Países Miembros no cooperará con la actividad futura de la FAO porque no está de acuerdo con lo que

se aprobó. En general, la práctica corriente dentro de la FAO ha sido que en documentos de este tipo se incluya todo aquello en lo cual existe consenso y se deja fuera todo aquello donde consenso no existe. Tenemos un documento que se ha trabajado en distintos comités y en distintos órganos de la FAO durante todo el año y hemos llegado a un estupendo acuerdo; un documento de 174 o más párrafos, con un consenso en la mayoría de ellos y ahora tenemos tres párrafos en los que no existe consenso y se está buscando mecanismos para obligar a su inclusión forzada. Esto no es lo que ha ocurrido tradicionalmente en esta Organización.

La Conferencia ha confirmado al señor Director General por una amplia mayoría de votos. Eso habla del respaldo que le da. No me parece que después de esa decisión sea justo utilizar y obligar al Director General como un instrumento para llevar a otros organismos internacionales.

Es por ello que consideramos que no existiendo consenso para estos párrafos, simplemente deben ser dejados fuera del documento y dado que el documento admite flexibilidad futura, seguir trabajando sobre ellos a ver si en el futuro pueden ser incluidos.

#### **Hugo-Maria SCHALLY (EC)**

As the Presidency of the European Community stated earlier, we have no wish to enter into a substantive debate on the concept of multi-functional character of agriculture and we are still of that opinion, but since there have been certain declarations by other delegations on this point of substance, the European Community feels it needs to address this point briefly, which is of their competence, and the Presidency of the European Community will then go into points of procedure.

The debate about the multi-functional character of agriculture has shown that, while some Members express support of the concept, others expected more explanations before taking positions. Some disregarded the concept itself by showing possible concerns about possible misuses of such an approach for other negotiations in other places. The European Community wishes to stress that the concept of multi-functionality of agriculture deserves consideration for its own merits in the FAO context. This should be done without slipping into positions voiced in other negotiations. Those do not belong to the FAO arena.

The Maastricht workshop has reached its objective by focusing on technical considerations about the multi-functional character of agriculture and highlighting successful examples of sustainable agriculture and rural development. Therefore, after having listened to some, I would say, misleading statements made today, the European Community feels the need to specify some of the issues that are at stake when referring to the multi-functional character of agriculture.

Some have pointed out that agriculture is multi-functional like all activities are multi-functional in the sense that they can contribute a varied set of needs and values of society in addition to fulfilling their primary function. What seems so obvious or even trivial to some is nevertheless worth being remembered when considering the challenge of implementing sustainable patterns of development. The race to productivity gains and economic efficiency has unfortunately been accompanied by growing negative externalities. In particular, serious concerns in the field of environment, as well as problems of livelihood, balance of rural areas and rural development generally. Therefore, the need to adopt the comprehensive approach by considering the various functions of agriculture to the society is prevalent.

It is precisely because modernization and intensification of agricultural production creates concerns that the society expresses a demand for preserving and enhancing what it considers as wider and positive functions of agricultural activities beyond primary production. It is also because the globalization process and the possible effects of trade liberalization raise concerns in respect to societal expectations that the comprehensive and balanced approach is needed.

Others have argued that the concept of multi-functionality falls just within the concept of sustainability and provides no added value when compared to sustainability. Sustainability and

multi-functionality have obviously strong overlaps. Sustainability is a broader, well-developed and accepted concept in which concerns relating to multi-functionality can be voiced, as was the case in Maastricht. The additional interest of multi-functionality is to focus on the interaction between functions and to highlight the central role that the agricultural activity may play in achieving part of these functions for the benefit of the development of all societies. Other approaches may give only little consideration to interdependencies and tend to address issues in isolation. Given the existing interdependence between the various functions of agriculture, supporting the other functions cannot be seen as completely separate from the evolution of the production function. Ensuring the fulfilment of the multi-functional role of agriculture requires policies and encompassing agriculture as a whole.

This is neither an argument that all rural environment and rural development aspects depend on agricultural activities. It is also clear that the enhancement of the multi-functional role of agriculture is an efficient way of implementing the objectives of sustainable agriculture.

I have to emphasize that the World Food Summit has recognized the need for pursuing sustainable agriculture in high- and low-potential areas which are essential to adequate and reliable food supplies.

Modernization and globalization should not lead to extensive abandonment of farming in low-potential areas while intensive forms of agriculture would concentrate in high-potential areas. Policy instruments need to be adapted to different national circumstances. It is also legitimate and right to conduct policies that respond to domestic concerns while abiding by international rules.

Maintaining agricultural activities, in particular in peripheral, less-developed areas or areas which are particularly vulnerable or have development deficiencies, and in particular where there are few other possibilities of gainful employment, help also in preventing domestic and international out-migration, the social and economic cost of which is high for all countries, and to ensure that human activities and settlements are well-balanced throughout all territories. Multi-functionality underscores the fact that in many regions farming is the main ingredient and remains so of the socio-economic fabric of rural areas and of the values society attaches to it.

Identifying the different functions of agriculture can thus help in analysing agricultural policies and situating them on the sustainable development path subscribed to as part of the real process. This is an approach which gives the various actors involved at all levels whether local, regional or national, a way of fitting their actions into a general framework that is easier to implement and clearer to comprehend. The linkages between the different levels and their contribution to the overall goals are therefore facilitated.

In the Plan of Action of the World Food Summit all countries have "committed themselves among other things to pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and practices which are essential to adequate and reliable food supplies at all levels considering the multi-functional character of agriculture".

There is thus a need for improving the understanding of the concept of the multi-functional character of agriculture and land in order to achieve the goal of sustainable agriculture and rural development. It is our distinct feeling that FAO has to play an important role in this, as is reflected in Version 4.0 of the Strategic Framework. FAO should explore possibilities for further developing activities in this field concentrating on practical solutions for problems encountered in different countries. The case studies collected during the preparation for the Maastricht Conference and its analysis are useful in this connection.

I am very happy to join my Argentinean colleague in calling for more information- gathering on this subject, but since we have only one recognized Centre of Excellence which is neutral and can undertake the work in an equitable and balanced manner, we do not see any other place where work on this topic can be carried out whilst safeguarding an equitable and balanced approach to

this issue which takes into concern all the comments made during our discussion on the Strategic Framework. Therefore, since knowledge about the multi-functional character of agriculture will not come through Divine guidance, although we have an appointment with the Pope later on today, we think that we need to continue work on that and that FAO has to be play a role in this.

I think that we need to look at the Strategic Framework, as has been said by the Presidency, as an overall frame which guides our activities and not as a negotiated text which needs to be read word by word.

### **CHAIRMAN**

While thanking the distinguished delegate of the European Community, may I suggest to all distinguished delegates, that we may like to avoid going into great depth and detail regarding multi-functionality as a concept and describing its various *pros* and *cons* because that is not what this debate is about today. The debate is about the Strategic Framework, and the phrase multi-functionality and the associated phrase occurs in a certain paragraph, and the question is of keeping it there or not or modifying it, as pointed out already, and it is not about multi-functionality *per se*.

I would now like to take a very short break at my request. The Vice-Chair has kindly agreed to take my place. I shall be back in a few minutes.

***Ms Anneli Vuorinen, Vice-Chairperson of Commission II, took the Chair***

***Mme Anneli Vuorinen, Vice-Présidente de la Commission II, assume la présidence***

***Ocupa la presidencia la Sra Anneli Vuorinen, Vicepresidenta de la Comisión II***

### **Masato ITO (Japan)**

The Japanese delegation very much welcomes the excellent work carried out by the Secretariat and the Member Nations in shaping up FAO's Strategic Framework, Version 4.0. We find Version 4.0 considerably improved over the earlier versions, both in presentation and in substance. In particular, we appreciate the refinement of Part 2, Corporate Strategy, the heart of the document. This document is appropriate to serve as a medium- and longer-term strategy for FAO.

This document has been discussed for about two years at various levels of meetings and by so many experts and delegates. Version 4.0 is a valuable outcome of this long process. We especially appreciate the effort made by the Chairman to reach a consensus on Version 4.0 for the last three days. Special thanks also go to the Members of Friends of the Chair for devoting time and energy in that process.

It is extremely difficult to prepare a document which fully satisfies around 180 Members who have different views and opinions. I am sure that every Member in this room has their own comments for this paper on particular points. However, what we have to think about now is the importance for FAO to have a long-term strategy. Our delegation is convinced that Version 4.0 is really valuable for this purpose. Therefore, our delegation asks all Members of FAO to adopt this document *en bloc* at this Conference, taking into account the amendment feature reported by the Secretariat at the beginning of this meeting. We should not miss the momentum to have a long-term strategy for FAO activities. Various views and opinions we have should be fully reflected in the Report and accommodated in the regular evaluation and reviewing process in the future.

I would like to touch, very briefly, upon the multi-functional character of agriculture. As was pointed on many occasions by many speakers, the multi-functional character of agriculture is referred to in various internationally-agreed documents, including the World Declaration and Plan of Action of the World Food Summit adopted in 1996. It should be noted that during the Plenary Session of this Conference, numbers of Heads of Delegation stressed the importance of the multi-functional character of agriculture in social, environmental, cultural and economic

aspects. On this occasion, I would like to briefly quote a relevant part of the statement in the Plenary Session of my Minister:

"Agriculture stems from the history and culture of each country so that agriculture has multiple role in the national conditions of each country. These roles, so-called multi-functionality, include environmental conservation, such as ground conservation, for studying water resources and formation of scenic landscape, as well as maintenance or revitalization of the rural community, feature very importantly in both developed and developing countries. We place great importance on the roles and functions agriculture plays."

Therefore, I would like to underline that what is indicated in paragraph 18 of Version 4.0 features a new point of reference to the World Food Summit. FAO has a major role to play in assisting countries to implement the provisions of the World Food Summit Plan of Action which falls within its mandate. In order to ensure the coherence between the Strategic Framework and the World Food Summit Plan of Action, we urge that the reference to the multi-functional character of agriculture in paragraph 76 should be retained in the final version of the Strategic Framework. The concept of the multi-functional character of agriculture is well recognized and accepted in various international fora. However, the function displayed in each country differs country by country because of the difference in the natural conditions, as well as social and cultural background. Technical studies on this subject, particularly in the developed countries, are very few so far. It may not be very clear to most Member Nations what it means or how each should be considered in formulating their agricultural policy. This is why we expect FAO to make further technical contributions by conducting studies and analyses in this field. We believe that such activities by FAO would be very helpful, especially for developing countries in agricultural policy formulation and its implementation.

FAO has a major role to provide developing countries with a comprehensive picture of the multi-functional character of agriculture, how it could work for developing countries. In recognition of the importance of this issue and of the interest expressed in various fora, FAO should act as follows. There are six points.

The first point is to monitor and review the institutional and technical discussions on the multi-functional character of agriculture taking place worldwide and to report on its findings. The second point is to collect and disseminate information on the multi-functional character of agriculture. The third point is to exchange information with other Organizations concerned. The fourth point is to conduct a technical analysis and identify the elements of the multi-functional character of agriculture for the benefit of developing countries. The fifth point, to provide the implications of multi-functional character of agriculture and technical support, when required, to developing countries within the context of the World Food Summit's Plan of Action. The last point, to provide policy options, when required, to developing countries, for example, the special treatment for live foods or with small farmers to avoid local food insecurity, compensation to small producers, alleviation of the effect of trade reform, social safety net, etc.

Emphasis should be put on the fact that the Member Nation has the discretion to choose and follow the policy option. In this regard it is important that developing countries are fully aware of the scope of the multi-functional character of agriculture, the relevance to present and future national food policies.

Finally, I would like to reiterate our strong wish that Version 4.0, for us, should be adopted at this Conference *en bloc*, as amended, reported by the Secretariat.

#### **RHO Kyeong-sang (Korea, Republic of)**

First of all, I need clarification. According to the Legal Counsel, there were three options in approving the Strategic Framework. One is voting, another one is brackets and the other one is footnotes. I need to know the mandate of FAO, why this Conference should vote. The delegate

from the EC, Finland, mentioned postponing the approval of the Strategic Framework to the next Conference.

Secondly, I do not wish to reiterate how we did our best to reach a consensus on this matter, especially paragraph 76, and now we are also trying to do our best to reach a consensus, especially on paragraph 76. I would not like to mention more substantially the concept of multi-functional characters in this fora. I think the concept of multi-functionality should be discussed in other fora after this Conference.

As many delegates mentioned the substance of the concept of the multi-functional character and the fact that there is no consensus on the concept, it should be discussed in other fora.

However, I would like to mention our separate point, which was raised by another delegate and that is protectionism, which may be included in the multi-functional character of agriculture. On this point, I fully agree with the very appropriate comment made by the delegate of Switzerland.

Another point, the Maastricht Conference: some delegates mentioned that there are political commitments. As we know, the main subject of the Maastricht Conference should have been technical views, not political views but, unfortunately, the political issue was discussed. As a result, a large number of the participants, and also the participants of this Conference and Council, were not satisfied with the results of the Conference. Therefore, the document was submitted to this Conference as an information document. As we know, the trade issue was discussed, but many participants were not satisfied with the discussion on this issue. Certainly, some delegations mentioned the trade issues, which may be included in the concept of the multi-functional character. As I mentioned before, we do not have the common concept of the multi-functional character. It may be difficult to say that the concept is included in the trade. And also, even though some part of trade includes the multi-functional character, that could be discussed in this fora under the mandate of FAO. If there are some components of trade they should be discussed in other fora, for example the WTO.

On behalf of my delegation, I think if we could reach a consensus, especially the amendment to the last part of the Paragraph 76, there are no problems. Even with those we can think of the trade which may be included in the concept of the multi-functional character. If we accept the proposal by the EC, I think it is acceptable in this fora. We should try to reach the consensus on this matter, instead of voting, using the brackets and footnotes.

*Point of Order*

*Point d'ordre*

*Punto de Orden*

**Ms Ulla-Maija FINSKAS (Finland)**

I did definitely not, on behalf of the European Community and its Members States, request for this Strategic Framework to be postponed to the next Conference. On the contrary, I suggested that it would accepted *en bloc* here. I very much support the suggestion made by the Legal Counsel that we could go on with this paper here today, accepting it *en bloc*. Namely, to approve the document *en bloc*, as it is in Version 4.0, put a footnote on the MFCAL and, under that, mention that there was no consensus on the concept as such.

That is what the EC and its Members States were proposing.

**LEGAL COUNSEL**

As I understand it, you wish me to clarify or repeat the suggestion of the options.

What I had said before was that it is envisaged that the Conference should adopt the Strategic Framework. I think it is envisaged that it should be adopted by consensus. If you are unable to reach agreement on the major issue outstanding now, which is MFCAL, as referred to in paragraph 76, as I see it, you have two options. The first is to go to a vote on whether or not you

should include this provision, whether it be the original or the amended version, or any words in that amended version. You could either take a vote here or in the Plenary. I also said at that time, that I did not think that it was the wish of the meeting, but of course it is for you to decide, to go to a vote on this matter, because you have expressed yourselves on many occasions to be in favour of adopting all of the Strategic Framework by consensus. However, it remains an option.

The second option, which I had suggested you may wish to consider, would be -- and I am referring to the MFCAL at the moment -- to put the original text of the reference to MFCAL in paragraph 76 in brackets; those were the words "... considering the multifunctional character of agriculture ...". I think all of you may have memorised those words. And to add a footnote to the effect that the Conference was unable to reach consensus on the inclusion of the words in brackets. You could then go on and adopt the entire text of the Strategic Framework, and I take this to include the other amendments which have been suggested and which have been agreed upon, by consensus.

I hope this clarifies what I was saying. There is one other point I would like to make. I understand it was suggested that the Strategic Framework could perhaps be noted, rather than adopted. I understand that it has always been the position of the previous Conference and that the other Governing Bodies of FAO that, in fact, this Strategic Framework should be adopted by a positive decision of the Conference, rather than noted, so that it has some kind of status. However, this is a decision for you to make, as to how you wish this Strategic Framework to be adopted.

*Bhaskar Barua, Chairman of Commission II, resumed the Chair*  
*Bhaskar Barua, Président de la Commission II, réassume la présidence*  
*Retoma la presidencia Bhaskar Barua, Presidente de la Comisión II*

## **CHAIRMAN**

Korea, you have waved your flag, I expect this has clarified your point, the question raised by you.

Finland has a point of order.

*Point of Order*  
*Point d'ordre*  
*Punto de Orden*

## **Ms Ulla-Maija FINSKAS (Finland)**

Just to ask the Legal Counsel to read once again what he intends to put in the footnote, or what was his proposal for the footnote.

## **LEGAL COUNSEL**

To repeat, the option would be to replace the words "considering the multifunctional character of agriculture" in brackets, and to add a footnote there saying, "The Conference was unable to reach consensus on the inclusion of the words in brackets".

## **RHO Kyeong-sang (Korea, Republic of)**

Well, according to the explanation from the Legal Counsel, now I am confused. First of all, I asked what is the mandate of FAO as to the obligation to approach this Strategic Framework in this Conference. My understanding is that, the last Conference decided that this Strategic Framework should be approved in this Conference, but it depends on this Conference. That is correct? Then, if we decide that we cannot reach a consensus on this matter, can we postpone decisions on this matter? We can do this or not?

Secondly, the brackets. Well, I think we should recognize our endeavours so far, for reaching the consensus. As a result of the long, long debates and our endeavours through the Friends of the

Chairman, as mentioned at the beginning of this meeting, by the Chairperson, the amendments to the first part were agreed. As to the second part, the first part is okay and the final part was not agreed. Therefore if we go ahead in having the brackets, I think the brackets should be different to those the Legal Counsel mentioned. I need a clarification.

#### **LEGAL COUNSEL**

First of all, with respect to the point made by the distinguished delegate of Korea, I would agree that the Conference is sovereign and the Conference can do as it wishes with this document. The Conference has the power to adopt. It has the power also to note, should it consider that a desirable action for it to take. The point I had made merely, was that the previous Conference, which does not bind the present Conference, and the other Governing Bodies had, I believe, envisaged an adoption, or the words used in the previous Conference Report were, I think, "consideration and endorsement". In fact, that is virtually the same thing, it is an expression of approval by the Governing Body of the content of the Strategic Framework.

I should point out that the Strategic Framework – and maybe Mr Wade will say something on this – will have a guiding role for the future work of the Organization. I think that is why the previous Conference and the Governing Bodies have always talked in terms of it being adopted, because it sets the framework within which you will have the Medium-Term Plan and the individual programmes of work and budget.

As to what should be in the brackets, to which the footnote would refer, this is of course for you, the Conference to decide. I had suggested perhaps it may be the original words. The point of that was merely to say that, since you have not reached agreement on the text as it was originally proposed, and you have not yet reached agreement by consensus on any other wording, perhaps it would be appropriate to retain the original wording, with the indication that consensus could not be reached on its inclusion or deletion.

#### **Tony WADE (Director, Office of Programme, Budget and Evaluation)**

Mr Moore has very well made the point that I wanted to make, but I would like to emphasize it, which is if we, I mean the Member Nations and the Secretariat, have failed to produce a satisfactory Strategic Framework for the period 2000-2015, then we have failed in a big way, a very serious way, after two years of work, after 13 meetings of the Governing Bodies, we cannot find the words which will allow you, the Members, to give us, the Secretariat, adequate direction for our work in the coming period.

The sad thing is that there are 12 Strategic Objectives, which are not questioned. The 56 Strategic Components are not questioned. These words are not even in the paragraphs that give the Organization its directions. I would urge Members to find ways not to note the Strategic Framework, but to find some way of approving it. If you fail to do so, what are we going to do for a Medium-Term Plan? The Medium-Term Plan for this period was suspended because we did not have this Framework. So, what are we going to do for a Medium-Term Plan if you, the Members, cannot give the Secretariat directions? I really must urge you to try and not throw out the baby with the bathwater, as one distinguished delegate managed to frame it very well.

#### **Krassimir KOSTOV (Bulgaria)**

For Bulgaria, the multi-functional character of agriculture and land is not a footnoted, bracketed consideration, it is a fact of life. It is so, even for those countries that cannot accept the term itself. In addition, the model of agriculture based on the concept of the multi-functional character of agriculture and land has been, for the past forty years, extremely successful in a number of countries, and it is this very concept that is being adopted by an increasing number of countries, including Bulgaria, as the model for developing modern, efficient agriculture that ensures food security for all.

Furthermore, in the view of my country, the model of agriculture based on the concept of the multi-functional character of agriculture and land is more successful than the model based on the broader concept of sustainability, and it is this model that will be the model of agriculture for the future, taken its dynamic and evolutionary character. That is why it is our strong opinion that FAO should not be used as a prohibitive instrument that would ban the development of successful models of agriculture, and there are a number of them. We consider that FAO should have the model of agriculture based on the concept of the multi-functional character of agriculture and land mentioned in the body of the text of its Strategic Framework for the next 15 years.

I am talking merely about the reflection of the diversity of existing models of agriculture. FAO should correctly reflect this diversity. The Strategic Framework should not only present a list of available models and instruments, it must also help the Member Nations better know and understand these different models in their diversity for the countries and their farmers to be able to choose the model they prefer. That is why the model of agriculture based on the concept of the multi-functional character of agriculture and land has to be present in the Strategic Framework. It is for other international organizations to tackle the non-agricultural aspects of the different models of agriculture. They have done so up to now, and will surely do so in the future. FAO should deal with the agricultural aspects of these models that are constantly evolving, and, furthermore, Bulgaria considers that it is necessary to have FAO participate in the definition of these models. That is what, in our understanding, many of the Member Nations of the Organization have asked for as well. Otherwise it would mean that the Organization abandon its constitutional tasks, or it could mean that some Member States want to push the Organization in such a direction, which I hope is not the case. It is a question of the future of FAO, and Bulgaria would like to see consensus on the Strategic Framework as it is in Version 4.0, with amendments agreed upon by the Group of the Friends of the Chairmen that we would accept.

In the rest, I would like to inform that Bulgaria align itself with the statements made by the delegates of Finland and the European Commission on behalf of the European Community and its Member States.

### **CHAIRMAN**

While thanking our distinguished delegate from Bulgaria, may I once again remind all the distinguished delegates that we are not debating multi-functionality as a model of agricultural development here. The proposal before the House has been made very clear first thing in the morning. We are talking about the retention in its original form, retention in a modified form, retention in brackets, or deletions or substantive modifications of paragraph 76, and that I would be very happy if the distinguished delegates do see their way to confining themselves to the proposal before us and not with these models of agricultural development.

### **Per Harald GRUE (Norway)**

My delegation also clearly expressed its views on the subject of the Strategic Framework and the Maastricht Conference in the Council meeting, and I shall not repeat these questions. I will also add that I fully agree with the intervention from the Community on the multi-functional character of agriculture and how to develop this concept.

My point of departure is that I cannot understand the reason for this disagreement we have. It is my clear understanding that Agenda 21, as well as the Plan of Action of the World Food Summit, clearly acknowledged the multi-functional character of agriculture.

Turning to paragraph 76, we have problems with the amendments discussed among the Friends of the Chair for many reasons. But in general, we have problems with amendments covering questions now being discussed in the WTO context in these days and that will come up in an important WTO meeting at the end of this month. These questions are actually not within FAO's mandate to decide on.

We can, however, support as a final compromise the proposal from Finland on behalf of the EU Members in their first intervention and based on *en bloc* adoption. But I can see that this is not a point of departure which is a possible solution at this stage. On the other hand, we do not think it is a possible solution to bracket paragraph 76, which was proposed by the United States of America and also by others.

My delegation finds that it is not possible to come back at a later stage to one of the most important questions being discussed here today. We cannot choose between good alternatives here during our debate now. All alternatives have a negative effect, but I think a real consensus on the Strategy is the most important question. It is a strategy for a 15-year period ahead, and therefore my delegation, at this stage, find that the best solution may now be to postpone the final discussion and adoption of the Strategic Framework, and maybe we can come back to the most important questions we are discussing in paragraph 76 in a few weeks, when these questions have been discussed in an important other fora.

#### **Guðmundur B. HELGASON (Iceland)**

I would like to begin by associating my delegation with the statements that have been made by the Presidency of the European Community and subsequently by the European Commission.

We are grateful to you and all those who have put so much effort into bringing this very difficult Agenda item to resolution. We very much regret the turn this debate has taken here this morning. While there is a very clear need to improve understanding of the concept of multi-functionality, we feel that this is neither the time nor the place for substantive discussion on its merits.

Multi-functionality is not a new concept, and its origins are well known to all. Extensive work on multi-functionality has been carried out by FAO and other fora. We strongly feel that, as elsewhere, this work should continue here, in FAO, perhaps the most relevant forum for work of this nature. The debate this morning only serves to underline this point as we frankly find concerns to the contrary somewhat misplaced or even misguided.

We welcome development of the Strategic Framework, which we see as a very important document that should be adopted by this Conference by consensus. We are willing to contribute constructively towards that end. I would encourage efforts to reach consensus to continue.

#### **Ms Ulla-Maija FINSKAS (Finland)**

Please excuse me for taking the floor again. I just wanted to come with some additional comments on this question of noting or adoption, and it is our absolute, strong view we are here to adopt the Strategic Framework. We are not here to give it for information to the Secretariat as a guideline for your future work. How else would you start work on the Medium-Term Plan? How would the direction for your work be given if you would not have this as a guideline, as a framework, for that? To which you will come back to as Members again, when you prepare the Medium-Term Plan, where we have an ample possibility to come back to the priorities.

I also wanted to maybe react on the footnote, and would like to suggest another language for the footnote. Before saying the footnote, alerting the Legal Counsel maybe, to react on the legal status of the World Food Summit Plan of Action agreed by our Heads of State.

I am here now to suggest another footnote, without MFCAL in brackets. The footnote would read, "Some delegations were unable to accept the concept of MFCAL as contained in undertaking three of the World Food Summit Plan of Action." I will repeat "Some delegations were unable to accept the concept of MFCAL as contained in undertaking three of the World Food Summit Plan of Action." And just for the Verbatim Records, I would like to say the Paragraph 35 I mention in my statement was not one of the amended paragraphs, so that should be taken away.

**Humberto MOLINA REYES (Chile)**

En realidad pensaba reaccionar sobre algunas cuantas cosas que no se querían decir del punto de vista técnico sobre el MESCAL, pero al final se han dicho. Creo que es muy importante que nos entendamos; afortunadamente para nosotros, esta es una Organización que trabaja con mucha eficiencia y que lleva más de 50 años trabajando en pro de la agricultura y la lucha contra el hambre. Aquí tengo en mi poder un sumario sobre el proceso de seguimiento de la Cumbre Mundial y el Desarrollo de Estrategias para Países en Desarrollo y Países en Transición, sostenido del 30 de junio al 4 de julio de 1997; es un informe de 25 páginas, que hace una revisión país por país, continente por continente, en ninguna parte se habla de la multi-funcionalidad de la agricultura, sino que se habla de las graves deficiencias que existen y la necesidad de realizar acciones para implementar el Plan de Acción de la Cumbre Mundial. Se habla de la degradación de tierras, del problema de los suelos, del problema de la desertificación, del problema del agua, del problema del hambre. En este informe no hay nada que hable sobre la multi-funcionalidad de la agricultura, un análisis que se hace de estrategias de más de 130 países. El Grupo de Alto Nivel sobre el Desarrollo Sostenible en su segunda reunión realizada aquí en la FAO del 26 al 27 de enero de 1998 que tuvo el propósito de dar orientaciones para esta Organización de cómo emprender o profundizar el desarrollo sostenible, define una serie de actividades y de cuestiones, no habla del carácter multi-funcional de la agricultura. Habla de la necesidad de desarrollar iniciativas en el ámbito del PESA, tratando de incorporar la dimensión de la sostenibilidad, habla, por ejemplo, que es necesario acciones que propone a la agricultura sostenible, en fin, habla de las cosas que los países en desarrollo necesitamos, los problemas del hambre, los problemas de que hay 600 millones de personas que tienen menos de un dólar al día para comer, de acuerdo a las informaciones del Banco Mundial. Estamos aquí preocupados en este momento para proteger un determinado grupo de agricultores quienes tienen niveles de ingreso superiores a los 20 mil dólares per cápita al año.

Me preocupa que las cuestiones traten de irse más por el carácter procesal que por cuestiones de fondo. Lo que acá se ha demostrado es que no existe acuerdo, a mi modo de ver, más que en el propio concepto de la multi-funcionalidad, son los párrafos 69, 76 y 78, porque en ellos está contenido una visión que por lo menos, le puedo decir a ciencia cierta, mi país no comparte por ahora. Por lo tanto, la solución de poner una nota a pie de página, debe ser una nota que no es como dice la distinguida Representante de Finlandia, que habló a nombre de la Unión Europea, que algunos Miembros no están de acuerdo con el Compromiso N. 3 de la Cumbre Mundial de Alimentación, porque eso no es verdad. Lo que no estamos de acuerdo es que se segmente el Plan de Acción de la Cumbre Mundial de Alimentación porque el Plan de Acción de la Cumbre tiene siete compromisos. ¿Para qué definieron esos siete Compromisos los Jefes de Estado y de Gobierno? Definieron esos Compromisos en la comprensión que su materialización integrada es posible alcanzar la meta que se definieron de reducir de la mitad el nivel de hambrientos en el mundo el año 1996.

Ahora bien, veo que acá hay cosas técnicas que no se entienden. Aquí se ha tratado de encubrir cuestiones que no son así y perdona que se lo diga con mucha franqueza. En la Versión 3.0 no aparecía el concepto del carácter multi-funcional de la agricultura, en la Versión 4.0 sí aparece; en el Capítulo 14 de la Agenda 21 sólo aparece una mención de la multi-funcionalidad. ¿De qué hablan los otros programas y por favor si hay alguien que me pueda explicar porqué no estamos hablando de esto ahora, cuando hablamos del desarrollo agrícola y rural sostenible? Asegurar la participación y la promoción de las personas en el desarrollo y mejorar la producción en las granjas, mejorar la planificación del suelo, mejorar la conservación y realización de las tierras, la conservación y utilización sostenible de la tierra, hacer una preocupación especial sobre la nutrición de las plantas, preocuparse de la energía en los campos, preocuparse que haya más transferencia tecnológica, que es lo que necesitan nuestros países. Pues bien ahora ocurre que el vértice, la visión que queremos imponerle a esta Organización es que todo se resuelve, todo, a

través del carácter multi-funcional de la agricultura. Perdón señor Presidente, pero me parece que es una visión parcial.

Por lo tanto, para terminar, nuestra propuesta es que se pongan entre comillas los párrafos 69, 76 y 78, con una nota a pie de página diciendo: "En estos párrafos no hay consenso." Así de simple. Aprobamos por cierto todo el resto del Marco Estratégico sin mayor comentario.

### **CHAIRMAN**

We close at 12.30 hours. In view of the constraint of time, I am now being forced to call upon distinguished delegates from those countries who have not spoken at all on this issue this morning, and there will be no second rounds hereafter.

### **Ms Neela GANGADHARAN (India)**

After the hard work that we did in the last two days, I would have expected some kind of a solution in the Plenary in terms of compromises. However, now two or three suggestions have come up for dealing with this problem. I just wanted to flag one point, that in the beginning of this debate the delegate of Korea raised an interesting point that, while there was a near consensus on one formulation on paragraph 76, there were differences of opinion about one portion of that formulation. Thereafter, the Representative of the European Union made a statement, and they said that they have a formulation, but we did not hear it. I was away for a while and I do not know whether that formulation was read out. I was wondering, while we do have another option of brackets, I just want to flag that after the twelve hours of discussion, we did arrive at a formulation which was almost there. So, I was wondering whether that could be discussed at this point in time, and whether any agreement could be reached.

### **CHAIRMAN**

Before calling upon any more distinguished delegates to intervene, I wish to seek guidance from the House. We are close to 12.30 hours, and we are closing exactly at 12.30 hours. What do we do next, after lunch?

I heard one voice this morning, unless I missed other voices, that this issue could well go back to the Friends of the Chair for a possible resolution. Do the distinguished delegates wish that this matter be looked at again by the Friends of the Chair or do we wish to continue with interventions in Commission II, with all bodies? I would take some guidance but very quick responses, one-liners basically.

### **Ms Ulla-Maija FINSKAS (Finland)**

Just a short reply to India's request. We have presented a text for paragraph 76 as a proposal but I understood it was not approvable to GRULAC. So that is out. So we are back to square one. I do not know why we would meet if we have no alternative solutions in sight.

### **Paul ROSS (Australia)**

I have a similar view to Finland. We had put a proposal forward which was not acceptable to the EU, so I see no point in continuing in the Friends of the Chair. I think we should continue in the Commission.

### **João Maurício CABRAL de MELLO (Brasil)**

No quiero tomar mucho tiempo. Como usted se recordará ayer mi Grupo dijo que tenía muchas dificultades con los párrafos 69, 76 y 78. Hace pocos minutos colocaron unas opciones y no me recuerdo si ésto también fue colocado como opción o no. Sólo quería esa aclaración porque es una moción del Grupo que son 33 países.

**Thomas KELLY (United Kingdom)**

My request for the floor was to ask for Finland to speak, and the comments that I wanted to express have already been made by Finland, so I do not need to take the floor.

**Sra María Soledad PAREJA DELOS (Bolivia)**

Mi delegación está de acuerdo con usted, con respecto a que no estamos aquí para discutir el concepto del carácter multi-funcional de la agricultura y de la tierra sino, a este punto, para decidir si debe o no incluirse en la versión final del Marco Estratégico.

Consideramos que más allá de que este concepto haya sido utilizado en otros foros internacionales como lo han dicho varias delegaciones, en este foro en particular no cuenta con el consenso necesario para ser incorporado en la versión final del Marco Estratégico. Por lo tanto, mi delegación opina que deben ser puestos entre paréntesis los párrafos en discusión y ponerse a pie de página que no hay consenso sobre este tema.

**Peter A. FERGUSON (New Zealand)**

I am conscious of the time limitations. Will there be an opportunity for further discussion after the luncheon adjournment on this Item, because I do not want to cut across other people's time?

New Zealand strongly supports the Strategic Framework concept and the valuable contribution it can make as a first important step in the significant changes foreseen for FAO's planning and budget processes. We followed with some interest progress over the past two years and view the document before us as a good result. We commend the Secretariat for its extensive efforts in elaborating and refining its Strategic Framework document, taking into account Members' views as well as consultation with partners. While this key document provides a vision and identifies the strategies, we see the Medium-Term Plan, along with revised programme and budget documents, as critical to implementing this. Choice and prioritization are at the core of any corporate planning process in order to marshal effectively the finite resources available to undertake the work. We will be looking for a results-based plan with clearly defined outcomes and verifiable performance indicators, incorporated into a well-defined evaluation process.

The Strategic Framework document maps out the path for the Organization over the next 15 years. To do this effectively, it will need to be updated periodically to take account of significant trends and changes in the environment within which FAO operates. We also firmly believe, based on our own experience, that for the new planning processes to work effectively, FAO will need to provide the commitment necessary at all levels of the Organization.

It would be a pity if we cannot reach consensus on this important document. We, like many others who have spoken, have a problem with the insertion of the phrase "multifunctional character of agriculture" in paragraph 76 of Version 4.0 of the Strategic Framework document. While it may appear in the title of Chapter 3 of the World Food Summit document, discussions since then, for example at the various committee meetings of FAO, the recent Maastricht Conference and at last week's Council meeting, have shown that it is neither understood nor accepted as a concept and therefore should not appear in the Strategic Framework document.

At Maastricht, the Chair's Report, paragraph 16, recorded that ". . . the participants expressed different perceptions regarding the scope, utility, added-value and coverage of the multi-functional character of agriculture." In our view, the reference in paragraph 76 of the Strategic Framework to the multifunctional character of agriculture does not add anything to the sentence in which this phrase has been inserted. Agriculture has a number of functions, as noted in paragraph 77 of the same document, but in this respect it is not unique. All human activities are multi-functional. It would be more meaningful and transparent to refer instead to sustainable agriculture and rural development in this context, if that is what is meant.

We would also note that some Members use the phrase "multi-functional character of agriculture" and "multi-functionality" interchangeably. It seemed to claim that multi-functional character, or MFCAL, does not have any trade implications. We disagree. We note that work is under way in other fora on multi-functionality and think that for FAO also to become involved is duplicative and not a productive use of its resources. That is another reason for FAO focusing on sustainable agriculture and rural development, or SARD, as its mandate.

Some have insisted on the retention of this phrase in paragraph 76, which many Members do not accept or agree should be in FAO's Strategic Framework. We in turn insist on language which shows a transparent intent, that is, that the use of this phrase must be coupled with additional wording that clearly indicates that any policies associated with the multi-functional character of agriculture must be transparent, targeted, decoupled from production and non-trade distorting. Clearly, we have disagreement on this issue. The alternatives appear to be to have the phrase removed from the text, or accept the Legal Counsel's proposal that the text be placed in brackets with a footnote recording that there is no consensus on the inclusion of this bracketed text in the Strategic Framework.

*Point of Order*

*Point d'ordre*

*Punto de Orden*

**Ms Ulla-Maija FINSKAS (Finland)**

I suggest that we finish here and resume at 14.30 hours to continue this discussion.

*The meeting rose at 12.30 hrs.*

*La séance est levée à las 12 h 30.*

*Se levanta la sesión a las 12.30 horas.*

# CONFERENCE CONFÉRENCE CONFERENCIA

**Thirtieth Session  
Trentième session  
30o período de sesiones**

**Rome, 12-23 November 1999  
Rome, 12-23 novembre 1999  
Roma, 12-23 de noviembre de 1999**

**SIXTH MEETING OF COMMISSION II  
SIXIÈME SÉANCE DE LA COMMISSION II  
SEXTA SESIÓN DE LA COMISIÓN II**

**18 November 1999**

**The Sixth Meeting was opened at 15.00 hours**

**Mr Bhaskar Barua**

**Chairman of Commission II, presiding**

**La sixième séance est ouverte à 15 h 00  
sous la présidence de M. Bhaskar Barua,  
Président de la Commission II**

**Se abre la sexta sesión a las 15.00 horas  
bajo la presidencia Sr. Bhaskar Barua,  
Presidente de la Comisión II**

**PART II - PROGRAMME AND BUDGETARY MATTERS (continued)****DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET (suite)****PART II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**14. Programme of Work and Budget 2000-2001 (Draft Resolution) [C 99/3; C 99/3-Corr.1; C 99/3-Corr.2 (English and Chinese only); C 99/LIM/6; CL 117/LIM/3] (continued)**

**14. Programme de travail et Budget 2000-2001 (Projet de résolution) [C 99/3; C 99/3-Corr.1; C 99/3-Corr.2 (anglais et chinois seulement); C 99/LIM/6; CL 117/LIM/3] (suite)**

**14. Programa de Labores y Presupuesto para el 2000-2001 (Proyecto de resolución) [C 99/3; C 99/3-Corr.1; C 99/3-Corr.2 (sólo inglés e chino); C 99/LIM/6; CL 117/LIM/3] (continuación)**

**CHAIRMAN**

I take pleasure in calling to order this meeting of Commission II.

First business, budget. I call upon Mr Bill Doering, Chair of the Contact Group which went into the question of the Programme of Work and Budget and the IDS Resolution, to present briefly the report of the Contact Group.

**Bill DOERING (Canada)**

Our Contact Group has reached consensus on two Resolutions, one on the Budget and one on Arrears. This is based on the premise that these two documents are linked. Again, I indicate it is reached by consensus although one country is awaiting final acceptance from its capital, and this is due to a time difference. We expect the decision tomorrow morning, prior to the start of the session.

I will briefly indicate the essence of the two resolutions without going into any detail, as final translated versions will be available later on this afternoon.

I will start with the Budget Resolution. The Budget adopted was US\$ 650 million. There is an additional authorization of US\$ 9 million from the Working Capital Fund, with approval, in principle, to use the balance of arrears paid by the Major Contributor subject to two conditions: (a) that in fact the arrears are paid, and (b) priorities are reviewed by the Programme and Finance Committees and then approved by Council. That, in essence, is what is presented in the Budget Resolution.

Second, I have captured the essence of both Resolutions as I have just stated them. We have been working on this for the last couple of days. The atmosphere has been good. The room has remained cool. There has been a great deal of compromise, understanding, innovation by all Members, and we would urge the Commission to adopt and approve these two resolutions.

I turn the Chair back to you, unless there are further questions or clarification you would like at this time.

**CHAIRMAN**

Thank you, Mr Doering, for the good news from the cool room. I am sure we will all be coolly awaiting the approval of the Budget Resolutions as and when they are available this afternoon, hopefully, positively I am sure.

Now I would like to turn to our distinguished Secretary who has some announcements to make on various matters.

**SECRETARY**

Just a couple of announcements, I will not take up much of your time.

You asked me to briefly outline where we were in terms of our Agenda, and where we were overall in terms of the work we have to still achieve. There is a concept of the eleventh hour. The eleventh hour is rapidly approaching. We were timetabled to have completed the adoption of the items on the Programme Implementation Report and the Programme Evaluation Report this morning, with a view to adopting the Reports in this Commission on the Programme of Work and Budget and the Strategic Framework this afternoon. Obviously, given that the deliberations are still going on with respect to the Strategic Framework, it has not been possible to produce a Draft Report. Therefore, that is not going to happen.

In terms of the time we have available, we have obviously the rest of the day. Tomorrow there will be a vote in Plenary, during which time the Commission cannot meet. The vote, I believe, is on Members of the Council and the Independent Chairman. It is anticipated that this voting procedure will take approximately one hour. I have been informed by the Secretariat that this Commission may reconvene tomorrow, even though it has been timetabled to cease today. So we do have the option to reconvene tomorrow after the voting has taken place, which would be at approximately 11.00 hours tomorrow morning.

It is customary to adopt the Budget Resolution in Plenary on Friday afternoon, and I believe that we are on track to do so, subject to adopting the Budget Resolution and its Report in this Commission at some stage this afternoon, when the relevant documentation is available. If we can complete the work on the Strategic Framework today, and I use the word 'if' in capital letters, then it may be possible to produce a Report and it may be possible to convene a Drafting Committee on this Agenda item either early tomorrow morning or as such time is available. We could push it through to next week, although I am very reluctant to do that. Obviously, it depends on the deliberations, and I would not seek to preempt your discussions at all. I merely just try and lay out the Agenda for you so that you may bear it in mind.

**15. Strategic Framework 2000-2015** [(C 99/12; C 99/12-Corr.1 (Spanish only); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continued)

**15. Cadre stratégique 2000-2015** [(C 99/12; C 99/12-Corr.1 (espagnol seulement); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (suite)

**15. Marco Estratégico para el 2000-2015** [(C 99/12; C 99/12-Corr.1 (sólo español); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continuación)

## CHAIRMAN

I had requested the Secretary to lay out the timetable in front of us again so that without preempting anything the distinguished delegates may wish to say or intervene in any way. Without pre-empting that, I was just trying to put the picture before all of us as to where we stand and what time is available to us.

On the first day, perhaps we were a bit too self-congratulatory. We thought we were racing ahead, and we had done the PIR and the PER in very good time. However, the time taken thereafter has, I am sure, been spent in a worthwhile manner. The Strategic Framework and the PWB and the Arrears Resolution have really cut in to whatever time we had gained at that time. At the eleventh hour, the eleventh hour is upon us now. The Budget Resolution, hopefully, will be with us very soon, and the moment that it is available, I propose to suspend other discussions and go on to the Budget Resolution so that that can be before us, and we can adopt it as soon as it is available.

On the Strategic Framework, after a lot of hard work has been put in by many Friends, we are still not seeing enough movement at this point of time to justify great optimism. However, let us be optimistic, let us hope that some movement will take place, maybe from both sides or all sides, and we can at the end of the day, today itself, come to an understanding so that the task of drafting the Report can take place overnight and tomorrow we may have an agreed position and a Report to show for it. However, as the case may be, we will take it as and when it comes.

We will now resume discussion on the Strategic Framework. I have a request to make, and I want to make the request at this stage and not be seen as a dictator, which I am not, obviously. Delegations of those countries which have had a chance to intervene - sometimes once, sometimes twice, sometimes three times - may kindly bear with me if I give priority to those delegations who have not had a chance to speak even once so far. I would like to think that we all appreciate that the views of everyone are important. Therefore, even if on a list of priorities timewise chronologically - I do have some names in front of me. At the moment I do not have any names of delegations who have not spoken. Therefore, I will open the floor to discussion with Members of the delegations who have not spoken or intervened so far on the Strategic Framework. Thereafter, if time permits, people who might have spoken a number of times will get a chance again.

#### **'AKAU'OLA (Tonga)**

I do not want to make obviously what is a difficult task even more difficult by intervening, and I have refrained from doing so in the hope that the discussions would lead to some acceptable conclusions as far as my delegation is concerned. I speak, I think, also on behalf of a number of very small states from the Pacific Forum who have just been included in the Membership of this august body.

I ask your indulgence because I am at a disadvantage, as you may well know. We can afford to be here in Rome only every two years, and it is obviously brought home to me that this is really an insufficient time to keep up with the thrust and parry of argument and as it reflects on the meaning of what to me are quite simply two English words. I would have thought that we could arrive at some consensus, but it looks to me as if two basically simple words are loaded with all sorts of connotations. We have had a very good airing this morning of what most of these meanings connote. What concerns me is that it is possible to interpret the question of multi-functionality in things that could harm us in terms of our trading relations.

As you know, the small islands in the Pacific have basically been referred to in the past as basket cases which will be no more a constant drain on technical assistance and aid from donor countries. But I think it is fair to say that we also have aspirations one day to stand on our own two feet, and I think that for the majority of us this will come through trade. As you may know, our small islands are custodians perhaps of the largest remaining tuna stocks in the world. We hope to be able to develop, and we are currently in the throws of developing, a management plan that will relate to the stocks of tuna, and this involves not only the coastal states but also the distant water fishing nations.

One of the things we do find is the difficulty, in having established some rights to these fish stocks, of exporting them where there is demand, and it is from this reason alone that we have reservations in terms of the likely interpretation of the term and how it may be used in the different fora of the international community. I do not want to go into this any further. We have heard this morning some pretty lengthy discussions on what it does mean in terms of FAO, and we have been asked to focus in terms of the meaning with regards to FAO's responsibilities. But I think we would agree that to have a special, meaningful FAO which might not apply elsewhere would be too hopeful a conclusion.

Therefore, we would favour going forward in terms of bracketed paragraphs. I know that a plea has been made here this morning that FAO in the fullness of time will educate us as to what exactly this terminology means, and that we should have no fears as to how it might apply to our interests. I think that these are very good assurances, but assurances that I can hardly take home to my capital. Therefore, we would support the bracketing of this consensus as not being arrived at in terms of what we exactly mean.

**CHAIRMAN**

I thank the distinguished delegate of Tonga for trying to bring us down to earth on two simple English words. However, we will have to discuss this a little more in search of a solution for a consensus, which has been eluding us so far, but we will persist and we will overcome, I am sure.

**Miguel BARRETO (Perú)**

Mi delegación no quisiera incidir en los aspectos que ya se han debatido sobre el fondo de esta cuestión. Como País Miembro del GRULAC, las delegaciones ya conocen cuál es nuestra posición, lo que sí quisiéramos precisar es que por una cuestión de principio mi país siempre favorece una decisión de consenso y lo hace por dos razones fundamentales, primero porque es la única manera de legitimizar internacionalmente un concepto o una mención porque si no, no existiría ni aceptación, ni veracidad, ni ejecutabilidad; y segundo porque el consenso constituye la base del multilateralismo moderno que permite al sistema internacional revitalizarse. En este sentido lo único que tenemos claro es que no hay consenso, por lo cual creemos que no se puede forzar una situación que podría acarrear ulteriores problemas. Lo que es más, cuando internacionalmente se debate un texto se incluye sólo aquello en lo que todos están de acuerdo, sobre todo documentos de esta magnitud y no al revés. Por eso mi delegación considera que al ser el Marco Estratégico un documento prioritario para el futuro trabajo de la FAO no puede en ningún caso ponerse en duda ninguna parte de su texto. En este sentido aspiramos a que cualquier redacción refleje esta realidad y permita la adopción del Marco Estratégico por consenso sin hacer menciones que no son aceptables para muchos Países Miembros.

**CHAIRMAN**

One announcement here. We will break at ten past 4.00 hrs.. Amendment: many amendments have been talked about: amendments from the Chair, amendment to what I said just now etc., I am asking you if we can break at ten past 4.00 hrs.. The Honourable President of Brazil is addressing the Conference and we have been asked if Commission II can be suspended for some time to enable the distinguished delegates to participate in the Plenary Session.

Do I hear all ayes or nos? So be it. We break at 4.10 hrs. for about half an hour or as long as it takes. Distinguished delegates, kindly immediately after, return back here. I am unable to fix an exact hour but hopefully the latest by 5.00 hrs..

**Felipe H. PAOLILLO (Uruguay)**

Yo me excuso porque nuestra delegación hizo uso de la palabra esta mañana y dio las razones por las cuales nos resulta difícilmente aceptable algunas expresiones del párrafo 69 y 76, entre otros, y también habíamos intervenido en el Consejo para explicar nuestra posición. No se inquiete, no voy a repetir las razones que dimos en esa oportunidad, que fueron razones de sustancia y espero que se hayan tomado notas de ellas.

Pero voy a agregar una razón más, que es una razón de forma: queremos que desaparezcan las menciones a los términos debatidos para salvar el prestigio de este documento, para mantener su calidad. Este documento que contiene el Marco Estratégico es bueno, es muy bueno, tiene sus debilidades que son solucionables. Pero es claro, es preciso, es omnicomprensivo, hasta que llegamos al párrafo 76. Este párrafo introduce en el documento, en el Marco Estratégico, un elemento de incertidumbre. No sabemos lo que quiere decir "carácter multi-funcional de la agricultura", no hay acuerdo en eso, no sabemos ni siquiera que es lo que se propone detrás de eso. Imagínese un funcionario nacional que está encargado de adoptar las medidas y políticas a las que hace referencia el párrafo 76, o imagínese un funcionario de FAO en el año 2010 que está encargado de asesorar o verificar esas políticas. Cuando llega a este párrafo se da cuenta que tiene que tener en cuenta el carácter multi-funcional de la agricultura, ¿tener en cuenta qué?, ¿qué es eso?, el funcionario buscará inútilmente una referencia que lo ayude a entender cuál es el

contenido de esta expresión, porque en este documento no hay, según mi conocimiento, ninguna otra referencia a este concepto o a esta palabra.

Yo no sé si esta palabra encierra un concepto o una idea. Ni lo va a encontrar, tampoco, en otros documentos porque los documentos que se mencionan como justificando la introducción de esta expresión en el Marco Estratégico, en esos documentos el carácter multi-funcional de la agricultura aparece simplemente en ciertos títulos, no en el contenido. De modo que no se sabe que es lo que hay allí. Estamos actuando contra las leyes naturales de desarrollo y creación del lenguaje, el lenguaje se genera porque hay un objeto. Después del objeto es que nace la necesidad de denominarlo de algún modo, de ponerle un nombre. O sea, el objeto precede al nombre. Aquí estamos con el nombre primero y estamos buscando un objeto, un contenido, para ese nombre. Nosotros no sabemos de que se trata, pero seguramente los promotores de la idea, los promotores de incluirlo que han insistido tanto en dejar esta expresión y ni siquiera han ofrecido un sinónimo que nos ayude a entenderlo, ellos saben qué es lo que hay en este concepto. Ellos saben que propósito se persigue. Nos gustaría saber esos propósitos, nos gustaría que nos propusieran una definición cualquiera, de pronto podemos coincidir. Así como está no podemos aprobar este documento, porque mi delegación no puede apoyar, como ninguna delegación por otra parte que actúe con responsabilidad, puede aprobar un texto cuyo contenido ignora. Tal como está, mi delegación no puede apoyarlo.

### **Krassimir KOSTOV (Bulgaria)**

I would like to explain that I requested the floor in the morning session just to make clear our position which was explained in greater detail before that.

I think that here, in this discussion, at the crucial, and I hope, final moments of the approval decision on the Strategic Framework, we see a clash between a prohibitive and embracing approach with regards to how this basic document of our Organization will be elaborated and prepared. From this point of view, I would like to avail myself once again, appealing to those countries who are tempted to prohibit the inclusion, even of a reference, to a successful model of modern agriculture, ensuring food security for all in that document, as an indication of possible choices to be made in the future. This is not to play here, in front of the Membership, a phantasm, as they were called this morning, virtual imaginative situations with which other organizations, out of this hall, will deal for sure in the future.

I think Version 4.0 of the document, even as it is now, is very good and it can be approved by consensus. Last night, at about 7 o'clock, I had the impression that that was the opinion of the Friends of the Chair that hopefully will continue their work, if we cannot finish our work here in this hall. I will be very frank with you, I miss very much the opinion of the majority of Member Nations. In fact, I miss the opinion of whole regions that are Members of our Organization, and I would be most grateful if you can help me get information on their position at this moment of the debate.

### **Percy W. MISIKA (Namibia)**

Namibia wishes to commend the FAO Secretariat for presenting Version 4.0 of the Strategic Framework. We indeed recommend that it should be adopted, although we do not agree with the recommendation of adopting it *en bloc* provided paragraph 76 is still as it is. On the question of whether or not paragraph 76 should be included or be deleted, Namibia wishes to pose a few questions to the Legal Counsel which, once clarified, may assist us in taking an informed decision on the issue.

First, it has been, and it is still, our understanding that all documents of FAO, and the contents thereof approved by Conference, must have by way of procedure, emanated either from the Secretariat or from the Technical Committees of FAO. It has also been our understanding that such documents normally must be presented to FAO Council for consideration and decision.

Council then recommends approval of such documents, and the content therein goes to Conference for its consideration and decision.

We seek clarity from the Legal Counsel as to whether this is, indeed, the case or not. If the answer of the Legal Counsel is in the affirmative, then we seek clarity as to whether this procedure was followed with regard to the MFCAL concept as embodied in paragraph 76. We ask this because, to our recollection, we do not remember as to where and when Council ever made such a recommendation to Conference. Of course, we took part in the preparatory seminar held in South Africa, in July, and also in the Maastricht Conference, held in September. At both of these fora MFCAL was discussed as a technical concept over which most delegates had no mandate to express themselves politically.

In Maastricht, many delegates stated that MFCAL did not add very much to SARD and that it has been, and continues to be, a feature of our agricultural systems. It was also agreed in Maastricht that the Conference Chair's Report would be presented to the FAO Council for information only. This was, indeed, done likewise during the Hundred and Seventeenth Council Session here.

Secondly, Council was requested during that Session to upgrade the status of the Chair's Report to a report for consideration and decision by Conference, but this proposal did not get the necessary support, and, indeed, was not agreed to by Council.

Let me assure our friends from the EU that Namibia is not entirely opposed to the concept of MFCAL, as was agreed by all Heads of State. Indeed we would welcome it if we were clear on its scope and implications for developing countries. Our consent stems from what the honourable delegate from the United States aptly and eloquently presented this morning, that is, developing countries, like Namibia, do have a fear, maybe a fear for the unknown, maybe out of a fear of history, since we all know what has happened with other agreements such as Globalization of Trade, where currently what we had agreed to, in good faith, is affecting us adversely. This fear of the unknown, in the absence of clarity on the issue, makes us apprehensive to let this be included at this stage before we have clear information on the issue.

This paragraph was not part of the contents of Versions 1.0-3.0 of the Strategic Framework considered and decided by Council at its previous sessions. The Council did not recommend it for consideration and discussion by Conference. How can we expect the Conference to consider and decide to include the concept in the FAO Strategic Framework document, when it was not agreed to and recommended by Council to Conference for decision or consideration?

Is Legal Counsel advising Conference to deviate from procedures in this particular case, and if so, we would like to be informed why. Namibia respects international declarations, conveyance and agreements and, of course, will respect what was decided by the Heads of State with regard to MFCAL. However, decisions of Heads of States should always be properly studied, investigated and the implementation modalities defined and agreed by all before implementation starts. We are not convinced at this stage that all Member Nations have gone through this process and that the concept we are requesting Conference to include in this document has been defined in such a manner that everyone understands it equally as to what its implications and scope would be.

Having said that, paragraph 77 is under caption D where the title starts with the word "supporting". If this is the language, we would once again seek clarity on what the nature and level of this support will be, and what implications it will have on developing countries.

Secondly, will all Member Nations be able to afford such support, taking into consideration their different levels of economic development and resource availability? Will such support be consistent with agreements at other UN fora, more specifically, the agreements at the World Trade Organization?

The Legal Counsel suggested, as one of the options, placing paragraph 76 in brackets and putting a footnote stating that there was no consensus on the issue. We have no problems with this. However, we would like to know from the Legal Counsel as to whether this is allowed in FAO. If so, has it been done before, and what will then be the legal status of the paragraph if so bracketed?

Lastly, listening to those who are in favour of including the concept, they argue that FAO is the right forum for pursuing this concept as it has the necessary technical capacity and independence to gather more information on this issue. If this is truly what is being thought, then Namibia proposes that the caption or title of D be amended to reflect this. Alternatively, the proponents should clearly define what type of support we are mandating FAO to render. As it is now, it is open to multiple interpretations which could be taken advantage of for different causes and I do not think FAO would like to see this happen.

### **CHAIRMAN**

Thank you for highlighting one aspect which has perhaps not been in front of us so far. We have sent word for Legal Counsel. We are expecting him at any moment. As soon as he comes, we will be able to deal with these issues.

### **Noel D. De LUNA (Philippines)**

First, as a matter of national principle, let me put on record the Philippines' appreciation of FAO's effort to explore the concept of multi-functionality in pursuing sustainable agriculture and rural development, as highlighted by the Maastricht Conference.

I would also like to reiterate the need we feel for FAO to clear up the concept of multi-functionality, as it relates to agriculture, land and sustainable development. At the same time, though, we would like to express our grave concern by the potential use of multi-functionality as an excuse to maintain production links, agricultural subsidies and high levels of border protection. We believe the multi-functionality argument should not be used to blur the distinction between the legitimate non-trade concerns of developing countries, such as poverty alleviation and food security that call for a special and differential treatment, and the illegitimate use to which the concept is put to distort trade and to justify the support of an agricultural subsidy.

The Philippines will support a consensus on paragraph 76 with the qualifiers on the MFCAL, as proposed. However, if there is no consensus on it, we will be amenable to putting the entire paragraph in brackets, or even putting a footnote.

### **Lothar CAVIEZEL (Suisse)**

Nous avons écouté avec beaucoup d'attention ce qui a été dit depuis ce matin et je ne voudrais pas le répéter ici, je vais simplement ajouter des compléments. La première réflexion porte sur l'importance du Cadre stratégique. Pendant deux années la FAO, les Membres de la FAO et le Secrétariat ont travaillé à l'élaboration de ce Cadre stratégique. Celui-ci aura une importance considérable pour l'Organisation et j'ai de la peine à voir comment l'Organisation pourra fonctionner dans le futur si aujourd'hui ou demain la Conférence ne trouve pas un consensus pour accepter ce Cadre stratégique. Je rejoins ici les idées qui ont été avancées tout à l'heure par Monsieur Wade.

Ce Cadre stratégique dépasse de loin le paragraphe 76 sur lequel nous sommes en train de discuter depuis un bon moment. Je voudrais à ce propos rappeler, comme beaucoup d'autres l'ont déjà fait, que la multi-fonctionnalité a été approuvée par le Sommet. Ici se pose une question: Est-ce qu'une approbation par le Sommet n'est pas supérieure à une approbation par la Conférence ? Moralement, il me semble qu'elle l'est. Légalement, je pose la question au Conseiller légal et lui demande d'y répondre. Si une approbation par le Sommet est supérieure à une approbation par la Conférence, la décision serait déjà prise parce que la multi-fonctionnalité

figure très clairement au troisième engagement du Plan d'action du Sommet. Tous ceux qui y ont participé à l'époque, il y a trois ans, savent combien de Chefs d'État y ont participé et y ont approuvé ce rapport.

Ma troisième réflexion porte sur le paragraphe 76. L'Union européenne a fait tout à l'heure une proposition pour trouver un consensus et mettre une note en bas de page indiquant: "Some delegations were unable to accept the concept of a multi-functional character which is contained in Commitment 3 of the World Food Summit Plan of Action."

### **CHAIRMAN**

Distinguished delegate from Argentina. You have already spoken? Will you come in again?

I find the distinguished delegate from Argentina does not wish to speak at this stage. Any other speakers?

We will proceed with the legal questions as soon as Legal Counsel is available. He is expected here very shortly.

I believe some of these questions, which will not be very legal in character, but historical or chronological, which the distinguished delegate from Namibia had raised, can be dealt with here. Ms Killingsworth, will be dealing with these questions.

### **Ms Kay KILLINGSWORTH (Special Adviser, World Food Summit Follow-up)**

While waiting for the Legal Counsel, who is held up at the moment in Plenary, perhaps I can shed some light on some aspects of the questions raised by the delegate of Namibia earlier. He asked whether all the inputs to documents which are approved by the Conference needed to come through earlier Governing Bodies. I just wanted to recall that the process followed in the preparation of Version 4.0 of the Strategic Framework involved discussions, quite ample discussions, in various FAO fora during the past two years, on the basis of earlier drafts. A number of those discussions took place in the Council, where as you know there are also Verbatim Records. Many other discussions, however, took place in the Technical Committees, at Ministerial Meetings and in the Programme and Finance Committees. By and large, it was for the Secretariat to take as careful note as possible of all of the points raised and the comments made and to attempt to pull those together in producing successive redrafts of the document. In that sense, what you have before you in Version 4.0 is a Secretariat draft based on comments and views expressed during previous discussions of Version 3.0 and earlier drafts. I just wanted to clarify that. That is actually the status of the document at the moment. Other comments which have been made on Version 4.0 by Programme and Finance Committees and Council are before you in the relevant reports and LIM document.

The question was raised, as to why has the concept of MFCAL come into the document? Here I would merely wish to clarify that what has, in a way, come into the document, the words " . . . considering the multifunctional character of agriculture . . ." were actually contained in Version 1.0 of the Strategic Framework, which was tabled last year, as part of a direct quote from Commitment 3 of the World Food Summit Plan of Action. In successive versions of the Strategic Framework, much of that background material was moved, we were requested to take it out and put it in an Annex, so that text is now in Supp. 1 to Version 4.0 of the Strategic Framework. There was, however, discussion on the basis of both Version 2.0 and Version 3.0 about the concept of multi-functionality. What has been included in paragraph 76, last sentence, however, is simply the wording which was extracted from the wording of Commitment 3 of the World Food Summit Plan of Action. I think it is important to recall that the process which has been gone through during the last few months on the preparation for the Maastricht Conference, has been a separate process. I wanted to clarify that the Secretariat's intention here was only to reflect some wording which was thought to have been agreed to, in this particular context.

The only other point I would raise while waiting for the Legal Counsel to answer some of the other questions, was that the delegate of Namibia suggested that the word "supporting" in the title of Strategy D might give rise to confusion or misunderstanding. Just to clarify that in the context of the Strategic Framework, that verb, which has been there since the beginning, is used in the same way as the verbs which introduce the titles of the other strategies. Strategy A begins with "contributing", Strategy B with "promoting, developing and re-enforcing", Strategy C begins with "creating" and D begins with "supporting". If it is felt that the word "support" in this particular context might give rise to a feeling that we are talking about another form of support, a form of support other than the kind of assistance which FAO gives its Member Nations, then it may be perhaps a good idea to consider using a word such as "promoting". Just to clarify that the verb in that sense has not got, in our view, and I think has not been perceived to have in earlier versions of the document, any other significance.

Perhaps Mr Moore may wish to deal with the specific legal questions.

### **LEGAL COUNSEL**

There are, I understand, three questions for me. The first is, has this use of brackets a precedent in FAO usage? I should say, first of all, yes, in a number of documents which are adopted Reports of FAO, very often square brackets are used. However, there is a difference here, and I think this is the difference which is worrying you. Usually, the square brackets are there to denote that the matter has not yet received consensus, is not yet finished, and usually this document goes on to another Body, which then looks at it and, finally, decides on the issue. I am not sure whether there are examples of documents which are finally approved, as it were, which have square brackets in them. I should, however, say that as I understand it, the Strategic Framework will be looked at on a continuing basis. So, in that sense this is a document which will eventually be reviewed. Usually I say that precedent is very very important, but I here think it is more important that the document expresses what your particular status of consensus is right at the moment. The one guiding rule is that the final document that you adopt should reflect what you wish it to reflect. In this sense, I should say that the Conference is sovereign. If it decides that this is a correct reflection of its views, then I see no legal difficulty in adopting a Report with brackets that does reflect those views.

The question then, which follows from that, is, what is the legal status of the bracketed text? My answer to that is, it is neutral. It does not say one thing or the other. I will explain what I mean by that. If you were to take out the text altogether, then it would mean, I think, that following the discussions, you had agreed that it should not be in the text. If you were to keep it in the text without brackets, after discussion, then I think it would mean you had decided, after all, that you should keep it in the text. In other words, that goes on the other side. But here you are keeping the text as it is in brackets and saying there is no consensus on it, it is neutral. You are just saying, we haven't decided to do one thing or the other. The two views came, as it were, to the Conference. The Conference could not reach consensus on whether it should be in, or whether it should be out, and, therefore, it is in brackets. Therefore, I would say it is legally neutral. It cannot go one way or another, it cannot be used as a precedent on one side, or a precedent on the other side.

The third question was related to the use of a term by the World Food Summit, and does this not, therefore, make the term acceptable, and does not this Summit have precedence over the Conference? I do not want to get into the merits or the substance of the matter at all but merely to say that these are different fora. The World Food Summit took binding commitments for Members of FAO and Member Nations generally who are not Members of FAO. In that sense it is a binding document representing commitments by the Governments. You are now in a different forum, and you are dealing with a document which is supposed to set the direction for the Governing Bodies and the Organization of FAO itself. The World Food Summit was not, in that sense, a meeting of the FAO Governing Bodies. This is a meeting of your Governing Bodies,

of your highest Governing Body, the Conference, and what you are trying to do now is to set the Strategic Framework for FAO, not for the whole world, but just for FAO, as to what it should be doing in the next 15 years. It is a different context. I do not consider that one necessarily overrules the other, they are just in different contexts, different fora.

I hope that answers your question.

If I may apologize, I am supposed to be introducing an item in the Plenary right now, if I may be excused.

### **CHAIRMAN**

Distinguished delegate of Namibia, have your questions been answered, or are there any very short clarifications?

#### **Percy W. MISIKA (Namibia)**

Yes, most of the questions have been answered but I still have some follow-up comments, very brief ones. If it is true that the issue was inserted, it was in the first document, the first Version, and that the Secretariat was requested by Council to remove it and put it in the supplementary document. Why then is it now back in the fourth and final Version? If that is the case, then it should remain in the supplementary version, and not in this Version.

Secondly, with the issue of the brackets, if that states that the text under brackets is neutral, it does not need to be applied but it should be there just to be sure that it is not forgotten, then why not put that in the Report of this Conference so that future Conferences, or future Councils, should continue considering or talking on that issue, rather than putting it here in this document?

### **LEGAL COUNSEL**

I think the first question is directed to Kay Killingsworth.

On the second question, I do believe that the language is neutral. I believe that it does not commit one way or the other. It does not mean one group won, the other group lost. Either way, it is completely neutral. Everybody reserves their position. The question of whether it needs to be in the document, or whether it needs to be in just the report of the Conference rather than the Strategic Framework itself, is for you to decide, of course. However, if you take it out of the Strategic Framework, then it makes a statement. If you leave it in without brackets, it makes another statement. But if you leave it in, in brackets, to my mind it makes no statement beyond the mere recording of the fact that nobody could agree on it. That is why I suggested to leave it in, but in brackets. Then you will have it completely neutral. You can of course report in the Conference Report and explain it, but you may find that this approach is less neutral that way.

#### **Ms Kay KILLINGSWORTH (Special Adviser, World Food Summit Follow-up)**

Very briefly, I am sorry if I was not clear. A very great deal of information and analysis which was contained in Version 1.0 was moved to an Annex and now the Supplement, from Version 2.0 onward. If you look at Supplement 1 before you, essentially everything in the section on *Background Analysis and Rationale for Proposals*, which is quite a number of pages, was originally in Version 1.0. Therefore, it is not just this specific issue, but whole chunks of text which were moved out into the Supplement. The question of what came back in, as I said, between Version 2.0 and Version 3.0, between Version 3.0 and Version 4.0 was based on comments and views expressed by Members during the debates on those successive versions.

### **CHAIRMAN**

I am sorry the distinguished delegate from Bulgaria wanted another clarification from Mr Moore, the Legal Counsel, but he had to rush off because he had some urgent business. We will take up any legal questions after the break which we announced a little while back. We will try to make sure that the Legal Counsel is available for a reasonable length of time. I am sorry about that.

Any other interventions or can we bring forward our break from ten past four to now?

No, is the answer I get. Thank you very much. We adjourn now to meet at 17.00 hours or even before that if the business in the Plenary is over.

*The meeting was suspended from 16.05 hours to 18.00 hours.*

*La séance est suspendue de 16 h 05 à 18 h 00.*

*Se suspende la sesión de las 16.05 horas a las 18.00 horas.*

### **ADOPTION OF REPORT**

### **ADOPTION DU RAPPORT**

### **APROBACIÓN DEL INFORME**

**DRAFT REPORT OF COMMISSION II – PART II (C 99/II/REP/2; C 99/II/DC/3-Sup.1)**  
**PROJET DE RAPPORT DE LA COMMISSION II – DEUXIÈME PARTIE (C 99/II/REP/2;**  
**C 99/II/DC/3-Sup.1)**  
**PROYECTO DE INFORME DE LA COMISIÓN II – PARTE II (C 99/II/REP/2;**  
**C 99/II/DC/3-Sup.1)**

### **CHAIRMAN**

We propose to adopt the Report on Item 14. I understand full documents have been distributed to all distinguished delegates. One document is C 99/II/REP/2. It is a Drafting Committee Report.

Another document is C 99/II/DC/3-Sup. 1. There are three additional paragraphs to take account of the Arrears Resolution. I understand these have not gone through the Drafting Committee, but have come straight to this Body.

Then there are two Draft Resolutions, Budgetary Appropriations of US\$ 650 million, and the second relating to allocation of US\$ 9 million from the Working Capital Fund and the authorization to use arrears.

We have, joining us here, the Chairman of the Drafting Committee and the Chairman of the Contact Group which dealt with the Programme of Work and Budget and the Arrears Resolution. I now request the Chairman of the Drafting Committee, Mr Renaud Collard, to make his remarks.

### **Renaud COLLARD (Président de Comité de rédaction)**

Vous avez donc devant vous le Projet de rapport du Comité de rédaction de la Commission II qui, nous osons l'espérer, a réalisé un assez bon travail et cela dans un véritable esprit de coopération, et qui a donc conclu ses travaux en ouvrant la question des arriérés.

Donc, ce Projet de rapport de la Commission II sur le Programme de travail et budget - le Point 14 de notre session de la Conférence - comporte des considérations générales, les positions des États vis-à-vis des différents scénarios de croissance envisageables pour le budget, les priorités de fonds qui seraient retenues par la Conférence, et enfin, un paragraphe sur les arriérés.

Nous allons donc, dans un premier temps, nous limiter à ce qui a été adopté par le Comité de rédaction dans la soirée, et examiner ensuite seulement les paragraphes qui n'ont pas encore été adoptés par le Comité de rédaction puisque la Résolution n'ayant pas été finalisée, nous n'avons pas souhaité nous avancer sur un terrain encore beaucoup trop inconnu pour les Membres du Comité de rédaction.

Je soumets donc à la Commission II le Projet de rapport de la Commission II qui comprend les paragraphes 1 à 7 inclus, c'est-à-dire les premiers paragraphes concernant les arriérés.

Je crois que nous pouvons procéder de la sorte, avec dans un premier temps éventuellement, un examen peut-être en bloc du texte. Je ne sais pas s'il s'agit d'avancer paragraphe par paragraphe, je crois qu'il est peut-être utile de poser la question traditionnelle de savoir s'il y a des observations de nature générale ou particulière sur l'un ou l'autre de ces paragraphes.

Maintenant, il est vrai que le rapport a été transmis il y a assez peu de temps, et qu'évidemment les délégations n'ont sans doute pas eu le temps d'en prendre suffisamment connaissance, d'approfondir.

Je vais passer la parole au Président de la Commission.

### **CHAIRMAN**

We are very grateful to the Chairman and members of the Drafting Committee who accomplished a difficult task, I should say, in very good time. I may add that Mr Doering, in his short presentation this afternoon, mentioned that there is consensus on the Resolutions except that he was awaiting for the views of one Member of the Contact Group regarding the consensus of the Budget. I thought I should mention this again, even though it was mentioned by him earlier.

I would like to be very, very brief at this stage. I propose that the distinguished delegates may adopt the Report which is before you and transmit the two Resolutions to the Conference. I hope this meets with your approval, in which case we can very quickly complete the job.

I hear no contrary views.

*Draft Report of Commission II, Part II (including Draft Resolutions) was adopted*

*Projet de rapport de la Commission II, Deuxième Partie (y compris les résolutions) est adopté*

*El proyecto de informe de la Comisión II, Parte II (incluidas las resoluciones) es aprobado*

### **PART II - PROGRAMME AND BUDGETARY MATTERS (continued)**

### **DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET (suite)**

### **PARTE II: ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO (continuación)**

**15. Strategic Framework 2000-2015 [(C 99/12; C 99/12-Corr.1 (Spanish only); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continued)**

**15. Cadre stratégique 2000-2015 [(C 99/12; C 99/12-Corr.1 (espagnol seulement); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (suite)**

**15. Marco Estratégico para el 2000-2015 [(C 99/12; C 99/12-Corr.1 (sólo español); C 99/12-Sup.1; C 99/INF/1; C 99/LIM/7)] (continuación)**

### **CHAIRMAN**

Distinguished delegates, having cleared with considerable speed a very important piece of business, may I seek your indulgence to act likewise in respect of another unfinished piece of business: the Strategic Framework.

I would like to take you through the position as I see it. Do correct me if I see it slightly differently to what you do. I think the various options, various expositions and various possible scenarios have been explored. They were gone into in great detail, to a great depth by the Friends of the Chair, my friends who took a lot of pain over the various precepts, nuances, aspects involved.

As I see it now, we are talking basically over one paragraph, paragraph 76. Certain phrasing included in that paragraph did not meet with universal approval. Very broadly, there are two views on it. There may be, of course, finer nuances here and there.

I am mentioning only paragraph 76, although I am aware that certain distinguished delegates had also mentioned paragraphs 69 and 78. In my view, in my understanding of the language, if the phrase in paragraph 76, which is causing some lack of agreement is dealt with satisfactorily, perhaps the problems which seem to be associated with paragraphs 69 and 78 will also be resolved.

We have heard the various options in this regard. One option which is known to all of us was to have certain rephrasing, reformulation done, certain words added, certain words removed. One of the options which the Legal Counsel had placed before us was to put a certain phrase in brackets and have a footnote, explaining what the bracket was about, which would have had the result of, in a way, keeping the phrase there but not keeping it there. You know what I mean.

I would commend for your consideration the following: the Strategic Framework, as I understand -- I have not been there from the beginning -- has been discussed over the last two years in 13 intergovernmental meetings. Over the last two days that I have been here, it has been discussed intensively in the Group which some of my Friends formed to help me, the Group of Friends of the Chair. It has been discussed at length and in depth in both, and with far wider participation, today.

Our Secretary, the Secretary of Commission II, at my request, reminded us, I believe at the beginning of this afternoon session, about what the tentative time schedule is. The probable eleventh hour has come and gone. We are now living on borrowed time.

The Report on all the items which were assigned to this Commission should have been finalized by now, and tomorrow is the day for transmission of the same to the Plenary.

As he gave us to understand, tomorrow morning, 9:30 hours, the Plenary is meeting for elections of the Independent Chairman of the Council. Thereafter, there is a possibility of meeting at 11:00 hours tomorrow morning. The first task, one of the tasks assigned to us, would be to finalize and adopt the Reports on the Programme Implementation Report and the Programme Evaluation Report.

If the distinguished delegates feel that the position on the Strategic Framework holds no movement from the respective positions held at the time we broke up, i.e., approximately 4 o'clock, how far will it be worthwhile continuing these discussions tomorrow morning? The distinguished delegates may consider this and advise me.

On the other hand, if there are discernible signs that there is, in fact, movement, and the opposing points of view are coming closer and moving towards each other, then there would definitely be a great deal of sense in meeting. I would hope personally that it is the latter which is happening. Even while we are here, some other Friends somewhere are talking about it actively. I am hoping that there is movement, and that that movement will be discernible soon.

I therefore propose that we do not continue this session now, unless there are certain clarifications required by somebody, on any position. I would request that distinguished delegates may like to refrain, this is only for their consideration, if they wish to speak, there is no question of my barring them; it is my duty to make sure they get the floor, but they may like to refrain from restating well-known and well-held positions again and again, for the sake of all the other delegates, distinguished all of them are, in taking up their time without much results. However, if they wish to speak, they are welcome.

After these clarifications have been requested and given, if they do not need to speak anymore, you may like to consider adjourning for today, suspending this session, and meeting tomorrow at 11:00 a.m., provided the elections are over by that time. We would then take up the Programme Implementation Report and Programme Evaluation Report, whatever is to be adopted. Thereafter, if there is movement, I hope somebody will be communicating with us, the Bureau, myself, the Vice-Chairs, Ms Killingsworth and any other Secretaries. In the case of movement, hope of movement, I always hope, but hope will have to be realized. If there is hope of movement we will meet and continue discussions tomorrow. I understand tomorrow, before noon, is really the last hour in which this discussion can take place to enable any sort of keeping up or semblance of keeping up, the Timetable given to us.

As I mentioned earlier, this should have been tied up by now. In fact, I am taking the liberty to suggest to the Secretariat that the drafting of the Report on Strategic Framework may also commence now, as soon as we get away from this hall, so that any modifications, any additions can take place tomorrow quickly and we can go ahead from there.

I would not like to say anything more, apart from again expressing a very sincere hope that we will come to a satisfactory resolution. We we will move towards each other, in adopting the Strategic Framework, in whatever manner it needs to be modified; it is up to the distinguished delegates to adopt it. Transmitting our views on it, our Report on it to Plenary is a very, very important task. I would be forgiven if I state what is obvious, that all distinguished delegates are very responsible Members of their own Governments. They have come here having been so nominated by their Governments, and in full realization of their responsibility to sit here as a Body and consider what is before us. They will act in the most constructive manner possible.

So far, I have seen only progress. So far, I have only seen movement. So far, I have only seen optimism amongst all who have taken part in this debate, both in the smaller group called Friends of the Chair, as it has on the floor today. I would hope and expect the same constructive approach, the same willingness to arrive at solutions, the same readiness to see each other's point of view will prevail hereafter. If it is suggested that we meet tomorrow on this, we will meet and take it up from there.

I see a couple of flags. Certainly, as I mentioned, maybe they want to seek clarification or if they have any other points. I believe France has a Point of Order. It has to be taken up straight away.

*Point of Order*

*Point d'ordre*

*Punto de Orden*

### **Louis DOMINICI (France)**

Je suis tout à fait d'accord avec vous sur le fait que nous devons nous rapprocher, et pour nous rapprocher, il faut parler le même langage. Je crois que cette Assemblée a le droit de savoir qu'à la fin du paragraphe 76 du Cadre stratégique, il est écrit dans le texte français: "en tirant profit du caractère multi-fonctionnel de l'agriculture". "En tirant profit", ce n'est pas du tout ce qui est écrit en anglais ni en espagnol, ni je crois dans les autres langues. Je propose donc que tout le monde lise, en tout cas les francophones: "En considérant le caractère multi-fonctionnel de l'agriculture".

Je dirai simplement, si vous le permettez, que c'est exactement la formulation que nous retrouvons dans l'Engagement 3 du Plan d'action du Sommet mondial, mais ceci pour mémoire.

### **CHAIRMAN**

I thank the distinguished delegate of France for raising this Point of Order. I am told, I am informed that this has been corrected. Maybe that correction is not available universally but I do believe that the word "considering", the French equivalent of "considering", is there in the French version and not "benefiting" anymore. If it is not so, I thank you for bringing this to our notice. Therefore, anybody who has the word "benefiting" in French with him or her may please read "considering", not "benefiting". Kindly do so.

I have the name of Mexico, if the distinguished delegate of Mexico has a suggestion or clarification, he may kindly raise it.

### **José ROBLES AGUILAR (México)**

Queremos hacer una propuesta que esperemos facilite sus trabajos. Lamentablemente, como Usted ha señalado, no se ha llegado a un acuerdo. No queremos ser pesimistas pero advertimos que el tema es muy complicado y con diferentes vertientes. En tal sentido queremos hacer la propuesta de que se reúna una vez más el Grupo de Contacto mañana por la mañana y que en línea con lo que Usted señaló, se ponga un plazo muy breve, digamos de 5 a 15 minutos como

máximo para intentar comenzar nuevas negociaciones informales. Si en 15 minutos no se llega a un acuerdo sobre la sustancia es mejor discutir sobre el carácter procesal. Considero que difícilmente llegaremos aquí en el Plenario a un acuerdo sobre qué incluir entre comillas, por que aún ésta es otra cuestión que hay que discutir, qué frases, qué aspectos incluir en el párrafo o los párrafos que se decidan poner entre comillas y también respecto a cuál sería el pie de página, como lo propone el Asesor Legal. Creo que son materias también delicadas y difíciles, y vuelvo a insistir, creo que habría que llegar aquí al Plenario con una propuesta muy definida por parte de este Grupo.

*Point of Order*

*Point d'ordre*

*Punto de Orden*

**Ms Ulla-Maija FINSKAS (Finland)**

I would just like to point out that we are talking about square brackets and we are talking about brackets and we are talking about footnotes. We need to know what we are talking about. Are we talking about square brackets or brackets? And what are we going to talk about in the Contact Group?

**Krassimir KOSTOV (Bulgaria)**

It is only in the spirit of seeking the compromise that we so much want to see and that we have applauded just a couple of minutes ago. I am sure that we will end the same way on this item.

I would like to present to the attention of the Membership and two observations/questions that I would like to ask Mr Moore for comment.

The first one concerns the commitments that Member Nations assume by adhering to ideas, policies and activities when adhering to internationally-adopted documents. In our view, these commitments of the Member Nations are valid for these same Member Nations in all international fora, in all international organizations, on all issues, all the time, unless these Member Nations publicly renounce these commitments. From this point of view, and Bulgaria's view, the commitments that the Member Nations made during the World Food Summit - there should be no problems of repeating them in the Strategic Framework because they have been assumed and there have not been any public renouncings of these commitments.

The second observation/comment that I would like to ask Mr Moore to comment on it, regards the brackets. To my knowledge, an internationally-negotiated document, no matter what its character and form, is not considered approved until the square brackets in the text fall, and the opposite, until there are square brackets in the text, the document is not considered approved. Of course, there are cases when, in such documents, we have rounded brackets but in these cases, the text inside the rounded brackets is a clarification or further elaboration on the text that immediately precedes these brackets. On these textual techniques, we have here in FAO, and we have had during the past year, a practice to introduce a footnote, in this case to the main body of the text, and it was exactly to indicate that there was a partial consensus on the matter in the main body of the text.

I think that we can apply any of these techniques, especially the last one, and for Bulgaria itself, that would be the second-best choice for adopting the text of paragraph 76, as it is, by consensus.

**LEGAL COUNSEL**

I think there should be brief clarifications, because these are political decisions which are before you right now, as to where you go.

The first question was regarding the commitments undertaken at the World Food Summit. These are commitments which were undertaken by individual Member Nations, and it is for the individual Member Nations to assess the commitments which they have already taken. I have

pointed out that you are negotiating now in a different forum, in which you are deciding what the work of the Organization should be in the Strategic Framework for the Organization in the future. I think it is for each individual Member Nation to weigh the relevance of the commitment which it has made in the World Food Summit for the decisions which it is being asked to take on the Strategic Framework. Those, in the end, are political decisions that you take.

With respect to brackets, it is true that the indication of a square bracket will normally indicate that full agreement has not been reached on the text which is in those brackets. I put forward a possible option for the eventuality that you could not reach agreement on the text concerned when I was asked what would happen if you cannot reach agreement. I hope that tomorrow you may be able to reach agreement, but I think that in the event that you are unfortunately not able to reach agreement, that indeed would indicate that you do not have agreement on the words within the square brackets, and that is the way we use it. As I indicated before, the only problem here is that you are aiming to finish your text at this stage in the sense of adopting it. You will finish the text, and the text, in that sense, I understand, will be unfinished, in the sense that you will have reached a consensus on all the points in it, with the exception of these words, if that is the case. I hope that by tomorrow you will have consensus on those words.

I do not think I can say anything more than that.

#### **CHAIRMAN**

Are there any more clarifications to be sought? No more interventions, no more suggestions? I would like to be told what to do.

As I see it, we have got a suggestion from the distinguished delegate from Mexico, suggesting that the Friends of the Chair, the small Group, meet again late tomorrow. The distinguished delegate from Finland raised a Point of Order – meet about what, to do what?

Before I give the floor to the distinguished delegate from Cameroon, I would like to say the Chairman has no answer to that question. The Friends of the Chair are welcome to meet, with or without the Chairman, if they so feel. If all of them feel like meeting, certainly the Group will meet and arrangements can be made. However, I believe arrangements tomorrow morning will be difficult, or I do not say they will be difficult, whether they are possible or not. The Secretariat will have to consider.

However, to the extent this Group is already meeting, some facilities are available in continuation of this for some time, maybe until about 21.00 hours, and if there is any consensus on meeting of the Friends of the Chair, it may be possible to meet tonight until about 21.00 hours. About tomorrow, the Secretariat will consider what is possible.

The distinguished delegate from Cameroon has raised the flag. Certainly, Cameroon has not spoken at all earlier, and I give the floor to the distinguished delegate from Cameroon.

#### **Dr DAWA (Cameroun)**

Nous intervenons de manière assez neutre, considérant la longueur des débats depuis deux jours sur ce problème. Compte tenu jusqu'à présent des difficultés pour arriver à un consensus qui se profile à l'horizon entre les deux Groupes qui discutent du problème de la multi-fonctionnalité de l'agriculture, considérant la possibilité qui nous a été offerte par le Conseiller juridique de mettre les parties non acceptées entre guillemets, sachant que nous sommes, en tant que spectateurs, en train de subir ces différentes pressions, et comme on dit: "quand deux éléphants se battent, c'est l'herbe qui souffre", nous proposons donc, étant donné les problèmes qu'il pourrait y avoir plus tard, que cette fois-ci au moins, les guillemets soient acceptés avec une note en bas de page. Cette solution pourrait permettre l'adoption du texte, et maintenir le texte sans le maintenir et enlever le texte sans l'enlever. C'est ce que je vous propose.

**Louis DOMINICI (France)**

Toujours sur les questions de méthodes qui peuvent nous aider à réfléchir ce soir et cette nuit, je crois qu'on ne peut pas dire, je m'adresse au Conseiller juridique d'abord si vous le permettez, que si l'on n'est pas d'accord sur un élément de phrase, on est quand même d'accord sur le reste. Il y a des éléments de phrase qui peuvent très bien mettre en question l'accord global. Ceci est une première chose et c'est une remarque générale.

Ensuite, je ne crois pas qu'on puisse dire ici que le Sommet ne nous lie pas. Je crois qu'on ne peut pas le dire pour deux raisons: d'abord parce que le Sommet est quand-même quelque chose qui existe, et qui a une valeur supérieure, ensuite parce qu'en 1997, la Conférence a fait sien le Plan d'action. Il faut s'en souvenir. Alors, si on veut revenir sur tout ce qu'on a dit, on y revient bien sûr, et sur le plan juridique, il y a toujours une issue, et maintenant je ne m'adresse plus, s'il le permet, au Conseiller juridique. Sur le plan juridique il y a toujours une issue, mais elle ne sert à rien. Il faut que nous sortions de bons sens, ce soir ou demain matin.

**LEGAL COUNSEL**

I wish to make just two points of clarification. I have noted the statement of the distinguished delegate of France, and it is just to say that I did not say that the commitments did not commit the Member Nations, the Members that made that commitment.

The second was to say that I believe that in the Report of the Conference which followed the World Food Summit, it was in fact the Report prepared by the Committee on World Food Security on all aspects of the World Food Summit and its follow-up, which was endorsed. I believe it was not the Plan of Action, because I think that stood by itself as being adopted by the Summit.

**Ms Neela GANGADHARAN (India)**

I can very well agree with Cameroon that all of us feel really crushed at this point in time. I would think that the time and energy that we have spent on this one paragraph, more than on the document, could have been well utilized for so many things. But then, having come to this point, I have only one suggestion to make.

I think we have to talk in terms of proposals, if we have to even go to the Friends of the Chair Group. We had one proposal, a very concrete proposal, from Cameroon just now. We have to hear whether there are any other proposals for consideration, because I think if you are going to have some kind of indefiniteness about the proposal, I do not know what we are going to discuss. If there is going to be discussion on the brackets, I do not think we will get anywhere. So I would request the Members who had expressed strong feelings on the subject to come out with their proposals, and I think then that the Mexican suggestion on the utility of convening the Friends of the Chair will have some meaning. I would think that, at this point in time, when everyone is totally tired, I think we may have to see some kind of clarification on what are the proposals, if we are going to have a Friends of the Chair meeting, that we need to look at. We have one clear proposal and we would like to hear more.

**Krassimir KOSTOV (Bulgaria)**

I would like to support the proposal of India and Mexico and to state my strong opinion that if the Friends of the Chair Group cannot work out a clean text to be included in the body of the text, I would strongly suggest to my colleagues to look into the possibility of working out a footnote. Because if there are square brackets there, I cannot imagine parenthesis or rounded brackets, we will be laughed at by the rest of the international community of students of law.

**Ms Ulla-Maija FINSKAS (Finland)**

I wish to reiterate the suggestion we already made earlier today, which was actually supported by other Members and that was: no brackets, a footnote reading: 'Some delegations were unable to accept the concept of MFCAL as contained in Commitment 3 of the World Food Summit Plan of Action'. No brackets. That is our suggestion.

**Humberto MOLINA REYES (Chile)**

He escuchado con mucho interés las distintas intervenciones de los delegados que con muy buena voluntad tratan y tratamos todos de encontrar un camino de solución a algo que nos parece bastante complejo y que hemos intentado buscarle soluciones. Veo que ahora nos estamos esforzando en buscar una salida procesal a este problema. Permítame hacer una pregunta al distinguido Asesor Legal ¿cuál es el nivel de compromiso jurídico que tenemos los aquí presentes como Estados Miembros para la aplicación del Capítulo 14 en la Agenda 21 y de todos los subprogramas que este contempla? ¿Podemos nosotros solamente tomar una parte de este Capítulo y tratar a través de eso darle respuestas a los compromisos que todos los Jefes de Estado y Gobierno asumieron? Me parece que hay una fricción desde un punto de vista global.

Lo que quisiera decir en segundo lugar, y hablo por cierto en nombre de mi Gobierno, estamos comprometidos con la Cumbre Mundial y vuelvo a insistir lo que dijimos muy al comienzo de nuestro debate, la Cumbre Mundial de la Alimentación fue un éxito y fue un éxito porque logramos alcanzar un perfecto equilibrio a través de las distintas necesidades e intereses y todos apuntando de una manera colectiva a una meta que está claramente planteada en la Declaración Política, y fíjese que ésta no sólo menciona el Compromiso 3 ni el Compromiso 5, que podríamos decir que son importantes los aspectos comerciales, sino que también menciona el Compromiso 7 que se refiere a la implementación del Plan de Acción de la Cumbre. Muy por el contrario, lo que acordamos fue trabajar de manera colectiva para alcanzar esa meta y luchar para que existiera una seguridad alimentaria en el mundo y se eliminase el hambre.

Estamos ante un hecho que nos ha llamado la atención, y nos parece difícil que quizás por un problema de desconocimiento de la Agenda 21, el Capítulo 14, donde esta Organización asume una responsabilidad como *Task Manager* y por tanto es responsable a la hora de aplicar cada uno de sus Sub-programas. Entre esos programas se habla de la seguridad alimentaria y de muchas cosas que son las necesidades de nuestros países en desarrollo, no se habla en cambio de funciones de la agricultura. Ocurre que ahora, de una manera mágica, estamos encontrando la solución a todos los problemas de seguridad alimentaria con la implementación de la Cumbre Mundial de Alimentación a través de la multi-funcionalidad de la agricultura. ¿Qué pasa, señor Presidente, con los problemas de la erosión, escasez de agua, catástrofes naturales que nos afectan y que por ello mueren miles de miles de personas en nuestros países? ¿Qué pasa con los 600 millones de personas que tienen menos de un dólar para comer al día, como informa el Banco Mundial? ¿A ellos les vamos a explicar que con la multi-funcionalidad de la agricultura les vamos a dar un pan diario? Me parece que hemos llegado a un límite en que estamos poniendo en juego los compromisos que hemos asumido como Países, Estados, Gobiernos.

Le repito, señor Presidente, mi país está genuinamente comprometido con la Cumbre Mundial de la Alimentación y por lo tanto no puede aceptar la impertinencia de poner en unas notas a pie de página ya que algunos países de los aquí presentes están en desacuerdo con la aplicación del Compromiso número 3. Perdóname señor Presidente, estamos hablando de cosas muy serias y la cosa seria es que hay un compromiso político del más alto nivel con la Cumbre Mundial de la Alimentación y no pasa por una búsqueda procesal, muy por el contrario pasa por el compromiso básico de reconocer que en una cosa específica no hay consenso. Mi país está comprometido por el Marco Estratégico, y cree firmemente en él. Hemos trabajado delicadamente a través de todo el documento, párrafo por párrafo, hicimos un análisis de cada una de las observaciones, abandonándolas. Pues bien sólo decimos que existen estos tres conflictos sobre los cuales

deberíamos juntarnos para alcanzar una solución y no hay posibilidades de moverse de allí. Perdóneme señor Presidente, quisiera aclarar que nosotros no somos los inflexibles y ya que estamos en este foro multilateral, estando aquí representados, la razón de ser es la de encontrar puntos de encuentro.

**Joaquín PÍRIZ-JORGE (Uruguay)**

Hemos tenido durante toda esta reunión y bien lo adelantó el delegado de Chile el ánimo de obtener la aprobación del Marco Estratégico porque consideramos que hemos llegado a un buen documento. Lo habíamos estudiado con detenimiento y habíamos recogido muchas observaciones que retiramos en aras de un consenso, dejamos sólo aquéllas que considerábamos esenciales. Teníamos también la voluntad de participar en el Grupo de Amigos del Presidente tratando de buscar una solución, pero luego de escuchar la última intervención de la Comunidad Económica Europea, que es uno de los actos de soberbia e impertinencia más grandes que he escuchado en esta Organización, creo que debemos considerar seriamente si hay algún interés en reunir a un grupo negociador en estas condiciones. Nosotros aquí podemos tomar dos posiciones, o bien actuamos con lógica y con lo que fue el procedimiento habitual de la Organización, o adoptamos los documentos con todo aquello con lo que se alcanzó el consenso y todo aquello que no tiene consenso se deja fuera. Ahora si vamos a jugar "*funny games*", también nosotros podemos hacerlo, proponemos poner los tres párrafos entre corchetes y ponerle una nota de pie de página que diga: "algunos países intentaron introducir este concepto en este documento y no se logró el consenso".

**Gebrehiwot REDAI (Ethiopia)**

I do not have a special formula to come up with a consensus, but I believe that consensus is very important.

From what I have observed, what we are doing is operating from differences and not from something in common. What I suggest is that if the Contact Group meets tomorrow and cannot come up with their own formulation, and try to impose one over the other, in the sense that they pick their comments and end up with differences. Let us not be afraid of brackets - the brackets could be unbracketed shortly. We saw what happened during the preparation of the World Food Summit document. It started with 800 brackets and ended up with no brackets. Let us be positive, and try to bring the two formulations together.

If there is optimism and cooperation, I hope we can come up with some kind of tolerable document.

**Ariel FERNÁNDEZ (Argentina)**

En nuestra intervención de esta mañana dijimos que aquello que no está cristalizado no puede cristalizarse porque sí. Normalmente en esta Organización cuando se convocan las reuniones técnicas inicialmente para elaborar directrices posteriores, llegar a acuerdos sobre códigos de conducta, se empiezan con reuniones de expertos, que una vez que hacen sus conclusiones las elevan a una Conferencia, o por lo menos la Organización normalmente tiene la costumbre de hacer una Conferencia Intergubernamental. ¿Cuál es el proceso que hemos tenido hasta el momento? Debo recordar que este proceso que fue el realizado para convocar la Conferencia de Maastricht, termina en Nueva York, por lo tanto también cada uno de nuestros Estados son parte interesada en lo que va a ser la Comisión de Desarrollo Sostenible. Ese es el proceso que tenemos en el horizonte, de modo tal que si la reunión técnica que convocó la Organización con la amable coparticipación del Gobierno de Holanda, no llegó a resultados concretos, no ha cristalizado en una determinada conceptualización, o lo que se entiende por funciones en la agricultura.

Nos estamos anticipando a un hecho que todavía no ha ocurrido, esa Conferencia no concluyó, no se puso de acuerdo, no hubo consenso sobre qué implican las funciones de la agricultura, su carácter multi-funcional, etc. Ese proceso comenzó oficialmente para la Organización en

Maastricht el mes de octubre pasado. ¿Por qué queremos imponer un punto de vista? ¿Por qué de alguna manera se nos está acusando de que hay países que no están de acuerdo con el Compromiso 3<sup>0</sup> de la Cumbre?

Mi delegación no quiere utilizar palabras fuertes para responder a una propuesta, pero sin duda que ningún Estado Miembro aquí ponga en duda que la República Argentina cumple los compromisos que ha asumido. No vamos a abrir una lista de los compromisos no asumidos en las Organizaciones Internacionales por cada uno de los Estados en la historia del sistema multilateral, no creo que esa sea la idea porque sino tendríamos una larga, larguísima lista de compromisos asumidos y que no se han cumplido.

Por lo tanto solicito amablemente a la delegación de la Comunidad Europea que para conservar el ambiente de diálogo retire la propuesta porque sinceramente la propuesta de nota a pie de página hiere a cada una de las delegaciones que estamos convencidas y que cumplimos con los objetivos que hemos asumido. Ponerlo en ese tipo de lenguaje es faltar a la verdad, a nuestro juicio. El proceso de esta Conferencia de Maastricht insisto, no concluyó, porque estamos queriendo imponer un concepto que no ha concluido, que buena parte de los Estados Miembros que están aquí, han manifestado en sus declaraciones que no entienden qué es lo que incluye, no que están negando el concepto, cuántas son las funciones, qué sinergias tienen entre sí, qué ventajas o desventajas tiene. Imponer lo que algunos comprenden a la mayoría que no lo comprenden, en una Conferencia de expertos que no ha llegado a una conclusión es adelantar innecesariamente los tiempos. Podemos comprender los intereses en juego pero también queremos que comprendan nuestros intereses, porque los estamos defendiendo y es nuestra obligación como representantes de nuestros Gobiernos aquí, más allá de que estemos en una Organización Internacional y por supuesto no tenga dudas, señor Presidente, hemos puesto y pondremos la mejor buena voluntad para llegar a un documento final.

Como han dicho otras delegaciones de nuestra Región, estamos de acuerdo en la gran mayoría del Marco Estratégico. Reafirmo no estamos poniendo en duda el Marco Estratégico, no estamos poniendo en duda aspectos vitales del mismo, tal vez para algunas delegaciones sí estos aspectos sean vitales, pero porque están sin duda alguna ligadas a otras cuestiones, hemos transformado este foro en una discusión política sobre un concepto que la mayoría de los presentes no sabe qué contiene. Es como jugar al gallo ciego, nosotros damos vueltas con una cinta en los ojos no sabiendo qué vamos a hacer y el gallo ciego en ese juego termina mareándose mucho más de lo que termina sabiendo la persona que está en este juego, de modo tal que el llamamiento es a la reflexión sobre qué nos urge más del Marco Estratégico.

¿Nos urge más el carácter multi-funcional de la agricultura o como bien dijo la Delegación de Chile en la Agenda 21, que mencionó en otros compromisos que asumió la Organización hay aspectos mucho más prioritarios que definir en este momento el carácter multi-funcional de la agricultura? En las mismas declaraciones de cuando se hizo la Cumbre, y agradezco a la FAO que en estos últimos días ha repartido numerosos ejemplares de este informe, parte dos del informe de la Cumbre Mundial sobre la Alimentación, hay numerosas declaraciones, la gran mayoría no menciona el carácter multi-funcional de la agricultura, y no estoy hablando solamente de los Países Miembros que estuvieron presentes, estoy hablando de la sociedad civil, de las organizaciones financieras internacionales, de las organizaciones financieras regionales que incluso en aquel momento declararon que tenían planes de acción que estaban implementando y que habían tenido éxito.

¿Por qué estamos queriendo decir que hemos encontrado la nueva panacea del mundo, el nuevo maná de los cielos, con el carácter multi-funcional de la agricultura, cuando ya hay indudables avances en el Marco del Desarrollo Sostenible, en Marco del SAR que podemos seguir continuando? No entiendo, por un lado o no quiero entender por el otro cuáles son los reales intereses que se están jugando aquí, pero evidentemente y digámoslo con todas las letras de una conexión muy clara con algún acontecimiento internacional que puede ocurrir dentro de dos

semanas. Esa es la Agenda que nos estamos imponiendo, la Organización no merece esta discusión, los agricultores del mundo no merecen esta discusión ahora, ni merecen que todos los recursos que se están gastando aquí en este momento se desvíen para discutir este carácter. Se podrían hacer muchos PESA, muchos TCPs, muchos recursos para los pueblos que solicitan asistencia de la FAO.

Dejemos que las cosas se reflexionen, dejemos de tener el horizonte marcado en los días 28 ó 20 de noviembre, veamos hacia adelante, veamos cuáles son las conclusiones de la Comisión de Desarrollo Sostenible, quién es quién nos manda, quién manda la FAO para saber qué ha hecho sobre la Agenda 21, eso es en el próximo año, tal vez en ese momento tengamos una orientación más clara que nos pueda dar la Comisión de Desarrollo Sostenible sobre qué es la agricultura en general, cuáles son sus funciones u orientación sobre eso.

Hay que quitar de este foro la discusión sobre lo que no se sabe porque es una organización que debe ser un centro de excelencia y por lo tanto si lo es, en este momento los Países Miembros no pueden decir que sabemos que ocurre con el carácter multifuncional de la agricultura y no es una oposición cerrada a esto, hemos hecho propuestas y se nos ha contestado con nuestra falta de cumplimiento del compromiso 3º. Esto sinceramente nos hiere como Países Miembros, como Representantes y vuelvo a insistir, solicito a la Delegación de la Comunidad que levante esta propuesta para volver a conversar y a dialogar en los términos en que lo estamos haciendo.

*Point of Order*

*Point d'ordre*

*Punto de Orden*

**Ms Ulla-Maija FINSKAS (Finland)**

I must say that this was the record I have personally received from an international fora that my statement was the most horrible one that has ever been heard in international context. If that was so horrible, then I must say that the whole Secretariat is as horrible as I am, because this statement which I read out, was linked to what Ms Killingsworth was saying just before we adjourned to the Plenary for the statement from the Brazilian President, and that was the explanation that the text that is in the Strategic Framework is from the World Food Summit text.

**CHAIRMAN**

May I request what I have already requested earlier, that we try to restrict ourselves, to refrain from restating well known positions, which have been heard many times at greater length, and have some consideration for the majority of the delegates who might have heard this more than once before. What I had requested is that if there are proposals on how to move forward, those may be given, or clarification sought, rather than going on trying to substantiate one's position. I think these positions are well understood by now, and do not really require further substantiation.

**Marek GRELA (Poland)**

I wish to make just very few comments. The first remark is that I do share the concern expressed by the delegates of Cameroon, India and my Bulgarian colleague. I am afraid that our discussion is very hot on the substance, but I am afraid that also the form is not perhaps good enough to find a quick compromise. So, I would like to appeal to all colleagues rather to look for compromise and not to repeat well known positions.

We are an Organization of 180 Member Nations, and each of us has different interests. We are from different Regions and the Strategic Framework reflects, in general terms, different interests. We should recognize that different countries and Regions have different interests. We like some elements in the Strategic Framework, other elements we do not like but we do not raise those points and we do not press to delete parts of the Strategic Framework. Therefore, I appeal to you to express some flexibility.

Let me comment on one of the recent speeches here. Multi-functionality is not the concept of the European Community because we are looking now at our discussion here in a somewhat simplified way. Multi-functionality is a very broad concept which is welcome in some other countries including in my country, which is a country in transition, a country which experiences significant restraints, which is exposed to subsidized exports of other countries. We are not fighting with multi-functionality in this context because we do believe that multi-functionality is a vehicle to promote agricultural restructuring. Let me say that Poland shares this concept, like some other countries in transition.

I think the suggestion to have a footnote is a very reasonable one. We should sit down and look for a compromise wording, and not complicate the final hours of the Conference.

**Abdoukarim DIOUF (Sénégal)**

Je ne serai pas long. Je voulais tout simplement apporter une valeureuse contribution à la recherche d'une solution de consensus et, à cet égard, appuyer la proposition qui a été formulée par le Cameroun, en précisant toutefois, que le passage qui est concerné, c'est-à-dire le caractère multi-fonctionnel de l'agriculture, ne devrait pas être mis entre crochet, car comme l'a dit le Conseiller juridique de la FAO, cela sous-entendrait que nous ne sommes pas d'accord avec le texte, même si on l'a adopté.

Par contre, il faudrait mettre une note de bas de page pour préciser que l'expression "caractère multi-fonctionnel de l'agriculture" s'entend strictement dans le sens utilisé dans le Plan d'action du Sommet mondial de l'alimentation, sans préciser quels sont les États qui seraient contre et quels sont les États qui seraient pour.

***Point of Order***

***Point d'ordre***

***Punto de Orden***

**Ms Ulla-Maija FINSKAS (Finland)**

I would just like to support what Senegal was just saying, very warmly.

**CHAIRMAN**

Your supporting Senegal is not a Point of Order. I would be glad if matters were not brought up like this at the end of the day.

**Mohammad Saeed NOURI-NAEENI (Iran, Islamic Republic of)**

After having listened to the distinguished delegate of Cameroon, my delegation feels being the "grass" in its general meaning, not in its special use of course.

We so far have heard two options, one by the distinguished Representative of Cameroon, which we fully support, and the other one by the distinguished delegate of the European Community. This must not have had a good interpretation because it would mean that we did not know for what we were committing ourselves to in the World Food Summit; or we can say, yes we knew that, but now we are backing down. In no sense is it very good for FAO to have such a footnote after having ratified the World Food Summit Plan of Action.

Coming back to what Ethiopia said that consensus is good, I agree. Consensus is very good, but there are too many good things that we do not have, cannot have. For example, a Zero Real Growth Budget was very good but we could not have it. We have to go for something that we can have. So, I come with two other options, as suggested by the distinguished delegate of India, that we have to work on options.

One option, which was raised once again before and it was not agreed upon, is to delete the whole paragraph as a whole, and get rid of this unwanted baby. The other one, which is the last

resort, is asking you to go for a vote and see what happens because we really cannot reach a consensus. This is the last resort that is available to us.

**Guðmundur B. HELGASON (Iceland)**

I will take the floor simply to support the drafting suggestion that was mentioned earlier by Finland on behalf of the European Union. I find this to be a fair and accurate reflection of fact. We have heard a number of statements, somewhat retractive statements to the contrary. We frankly are still to be convinced. We would not like to see any bracketed solution, although we certainly appreciate the good intentions behind their submission.

I am very disappointed that we have had to spend so much time on this issue in the Commission. I can only suggest that this matter be referred back to the Contact Group for a last effort.

**Masato ITO (Japan)**

The Japanese delegation participated for two days in the discussion of the Friends of the Chair in a constructive manner. We are all now very tired. Nevertheless, we have heard other proposals from some Members. Therefore, our delegation considers it would be very useful to have a small group meeting, in order to make a further effort to reach consensus.

The second and last point I would like to touch upon is the World Food Summit Plan of Action. In this discussion we should recall paragraph 9 of the Rome Declaration of the World Food Summit Plan of Action which says as follows: "The multi-dimensional nature of the follow-up to the World Food Summit includes action at the national, intergovernmental and interagency levels. The international community and the UN System, including FAO, as well as other agencies and bodies, according to their mandate, have important contributions to the implementation of the World Food Summit Plan of Action. The FAO Committee on World Food Security (CWFS) will have the responsibility to monitor the implementation of the Plan of Action".

**Ms Adela BACKIEL (United States of America)**

We also heard the delegate from Cameroon. We would like to hear other delegates' reactions to this very specific proposal which also reflected the advice of Legal Counsel. We suggest that the Friends of the Chair Group meet for a very specific amount of time to see if agreement on that specific proposal can be reached.

**Ms Mariann KOVÁCS (Hungary)**

Since I have not participated in the debate until now, I am not repeating myself. At this point in time I would like to be very brief.

I would just like to back what has been said by the distinguished delegate of Poland, quoting that the concept of the multi-functional character of agriculture is the concept of the European Community which we think is not right, since even my country is sharing this concept. The Hungarian Government is fully committed to the idea of the concept of multi-functional character of agriculture. As a consequence of this, we would like to see a clear text without any brackets, with the retention of the concept of multi-functionality, and adding a footnote as was proposed by the delegation of Finland on behalf of the European Union.

**Paul ROSS (Australia)**

We hesitated to re-enter this debate because we were heeding your words that you were hopeful of trying to find a way forward. Australia always seeks to be constructive and helpful in these debates. We want to achieve an outcome that is satisfactory to everyone, so I wanted to hear from as many delegates as possible before I spoke again.

I think perhaps the only conclusion we can draw so far from all the debate that we have heard is that frankly there is no agreement. I certainly do not want to return to points I have made earlier

but just to highlight, perhaps again, that we are not denying that this concept appears in the World Food Summit Plan of Action. In fact, as we have said before, FAO has responded to that commitment. We had a Conference held only a month ago and the conclusion of that Conference was that there was no support for FAO undertaking further work on the Multi-functional Character of Agriculture. There was certainly strong support for FAO continuing its work on SARD.

What concerns us here is that we are addressing a Strategic Framework document that is intended to guide the future work of this Organization. We cannot ignore the conclusions from the Council Report only a week ago that concluded that there was no support for further work being carried out. It would be a derogation of our duty as Members of this Conference, if we were to include this reference in the Strategic Framework when there is no agreement.

As I said, we are always looking for a way to reach a conclusion. I think the distinguished delegate from Cameroon, responding to the very constructive advice we have received from the Legal Counsel, and with the very helpful suggestion also of the delegate from the United States of America, we might have a way to move this forward. I would be happy to continue to participate in a Friends of the Chair Group. I support what the United States says, that we concentrate very much on the specific proposal of the Legal Counsel with regard to placing the phrase in square brackets and inserting a footnote along the lines of what the Legal Counsel put forward to us.

**Peter A. FERGUSON (New Zealand)**

We have also participated in the debate today, and made our views known on this issue. We agree that we need to find a constructive way forward, and we would like to associate ourselves with those delegations that have spoken in favour of the proposal put forward by the delegate of Cameroon, based on the proposal put forward earlier by the Legal Counsel. We think this is a constructive way forward and we would support it.

**RHO Kyeong-sang (Korea, Republic of)**

I think we are approaching the conclusions, so if my understanding is correct, I would like to summarize as follows.

There are two opinions. One is we can have the brackets or not. We can have the footnote. There is no consensus on the footnote. So, if we can have the proposals which could be inserted in the footnote, then we could decide. Now, will we have the Friends of the Chair Group or not? It could be decided in this meeting, but as you explained because of the time constraints and tomorrow's schedule, it may be difficult to have the Friends of the Chair and Contact Groups without Chairpersons.

We have to think about tomorrow's schedules. We can have the Friends of the Chair and Contact Groups without Chairpersons. I would like to propose to sum up this meeting. Then we can have the schedule of Commission II from now.

**CHAIRMAN**

Korea, I would like to respond to some part of your intervention. The meeting tomorrow is going to be very, very difficult. It may not be possible – it may be possible but it may not be possible – for the Secretariat to arrange the facilities for an early-morning meeting tomorrow. If we cannot have an early-morning meeting tomorrow, to finish before 11.00 hrs. – and some Members may like to participate in the election process – then it will not be possible thereafter.

If any meeting is desired, and if it is desired only, there will be a meeting. We will have to have it now, tired as we may be. If there is a question of a meeting, that meeting has to take place now, practically in continuation of this meeting now, this session. We have to meet very quickly because, as you appreciate, people are tired, and nobody would like to go on waiting for people

to turn up. If we have to meet, we meet in five minutes time in the Mexico Room. I do not proposed to wait beyond 19.35 hrs. for people to turn up. If it is desired that we meet, if that is the consensus that we meet. 19.35 hrs. is the last hour for which I will wait there.

Any other views? If we have no other suggestions, let me wish you, at the end of a long and exhausting day, a very good night. I will be available in the Mexico Room until 19.35 hrs., if the meeting commences by that time, with a consensus that we are meeting to look at new proposals, not to state our positions.

No restatements of positions will take place in the meeting of the Friends of the Chair. If the position has not changed, there will be no point in meeting whatsoever. Let me make it very clear, I would not like to waste your time and my time. Yesterday, in fact, one gentleman came and told me you are all wasting time. At that point I said, no, we are not. But tonight, at 19.35 hrs., if they have restatements of their positions, I will say it is a waste of time and I will not be able to stay beyond that point.

Unless it is a very specific point on this meeting, no more discussion today, sorry.

**RHO Kyeong-sang (Korea, Republic of)**

I will be very brief. It is impossible to show us the new proposal, instead of developments of the Friends of the Chair Contact the Group?

**CHAIRMAN**

It is not possible to make an appropriate summary in all languages to show it to you, to the distinguished delegates. We have to take it from what you have heard over the interpretation, and if you have clarification to seek, certainly those of us who are there, will try to give you clarification.

This session now comes to an end. I will proceed to the Mexico Room and will be available there until 19.35 hrs.. If the meeting starts at 19.35 hrs., we have a meeting, or we do not have a meeting tonight. Otherwise we meet in Commission II tomorrow at 11.00 hours.

*The meeting rose at 19.25 hours.*

*La séance est levée at 19 h 25.*

*Se levanta la sesión a las 19.25 horas.*