

**Informal Consultation for Europe and Central Asia
29 – 30 May 2017**

**Background Note
Session 2 - Update on the Implementation of the PWB 2016/17**

I. Introduction

1. The purpose of this paper is to provide an overview on the implementation progress of the 2016-17 Programme of Work and Budget (PWB) in Europe and Central Asia, covering the first year of the biennium in particular. The report builds on FAO's Mid-term Review Synthesis Report (MTR) 2016¹, which was considered by the Programme and Finance Committees in March 2017.
2. Main targets for 2016-17 linked to the Strategic Objectives Outputs² were identified by country offices based on the Country Programming Frameworks (CPFs), then reviewed and validated by regional offices and Strategic Programme Leaders. This target setting was the main pillar in identifying regional and country priorities, along with achievements and lessons learned from Regional Initiatives in 2014-15.
3. The 30th Regional Conference for Europe (ERC) in May 2016 supported the Regional Initiatives and other priority areas for the 2016-17 biennium on: (i) Empowering smallholders and family farms in Europe and Central Asia, (ii) Improving agrifood trade and market integration in Europe and Central Asia; (iii) Strengthening food security and increasing resilience of livelihoods to threats and crisis and (iv) Sustainable natural resource management including climate change mitigation and adaptation as well as on cross cutting areas including statistics, gender and nutrition.³
4. Key achievements delivered in 2016 through each of the Regional Initiatives and other priorities are provided below.

II. Results

Regional Initiative on Empowering smallholders and family farms in Europe and Central Asia (RI-1)

5. Transition countries in Europe and Central Asia often have dualistic farm structures characterized by a small number of large-scale corporate farms and a large number of small subsistence and semi-commercial family farms. While smallholders and family farms are important for regional food security, having a large number of smallholders is not economically viable and, in most countries, rural populations are among the most vulnerable and disadvantaged groups. In fact, as in other regions of the world, around three quarters of

¹ PC 121/3 – FC 166/6 at <http://www.fao.org/3/a-ms430e.pdf>

² CL 153/3 Web Annex 6 at <http://www.fao.org/3/a-mo851e.pdf>

³ ERC/16/6 at <http://www.fao.org/3/a-mp178e.pdf>



the poor live in rural areas.⁴ Women, the elderly, people with disabilities and those from minorities are more likely to suffer from poverty, vulnerability and social exclusion. The overall goal of the initiative is to empower smallholders, women and men, to strengthen their livelihoods, thereby reducing rural poverty and strengthening food security, with particular emphasis on inclusiveness.

6. RI-1 contributes to sustainable agricultural⁵ production (SO2) and reduction of rural poverty (SO3). Work focus regarding natural resource management involved the dissemination and adoption of innovative practices under Strategic Objective Outcome 2.1 as well as strengthening governance frameworks that foster sustainable natural resources management (2.2). Related to rural areas, RI-1 is aimed at strengthening rural organizations (3.1.1), enhancing access to natural resources (3.1.2) and providing policy advice on gender-equitable rural development strategies (3.1.5). Rural organizations have been strengthened by capacity building programmes and policy advice. An important regional contribution to global targets has been the support for the preparation of rural development strategies (3.1.5).
7. REU has established important partnerships for achieving rural poverty reduction and through collaboration with stakeholders, research institutes and governments, REU has managed to efficiently achieve results. Strong collaboration with the European Commission continues, with ongoing programmes in Armenia, Georgia, FYR Macedonia and Tajikistan. Other resource partners include Austria, Hungary and Turkey. In Georgia, with the support of European Commission, technical support was provided at both policy and community level for accelerated agricultural growth. This includes assistance on effective policy making processes, on the rehabilitation of seed production systems, strengthening the organizations of small producers and family farms, as well as investments made available for farmers and cooperatives for improved rural livelihood. Dialogue with civil society organizations continued to be one of the most important priorities. Specifically, a regional workshop was organized to raise awareness about the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT) and to train representatives about their role in the implementation of the Guidelines in their home-countries.
8. Achieving the complex Sustainable Development Goals (SDGs) reinforces the need to address the problems of smallholders in an integrated, holistic way through the programmatic approach of the RI. One of the biggest technical component of the RI is the support provided on innovative practices for sustainable agricultural production, which directly contributes to the improvement of agricultural productivity and the incomes of smallholder farmers (SDG 2.3) and promotes resilient agricultural practices (SDG 2.4) as well as ensuring inclusive and equitable education for rural stakeholders (SDG 4.3, 4.5). An important contribution is the improvement of the capacity of extension services to provide better extension and training services to rural stakeholders in Armenia, Georgia and Moldova.
9. RI 1 is also expected to contribute to SDG 1.b on designing the policy frameworks based on gender-sensitive development strategies through supporting the formulation of national and

⁴ FAO. 2015. The state of food and agriculture. Available at: <http://www.fao.org/3/a-i4646e.pdf>

⁵ Agriculture includes crop production, livestock, forestry, aquaculture and fisheries



local rural development strategies and programmes in Armenia, Georgia, and Bosnia and Herzegovina.

10. Inclusiveness and gender equality are key principles of the RI. Among other things, in Albania and Kyrgyzstan support is being provided to the acceleration of rural women's economic empowerment and rural development through trainings and income diversification, while in Georgia the rural women country gender assessment has been conducted. Gender mainstreaming is an important part of the RI and contributes to achieving gender equality (SDG 5.a and b.).
11. Highlights of achievements:
 - i. In the field of sustainable agricultural production (SO 2.1 and 2.2) innovative practices for sustainable livestock production have been promoted at international conference in Ukraine and experience on animal gene conservation technologies has been shared among stakeholders from 27 countries. The third plenary meeting of the Eurasia Soil Partnership was conducted in Kyrgyzstan. Integrated pest management and conservation agriculture was promoted at regional and country level (Tajikistan and Moldova). A booklet on African catfish production and training manuals on the propagation of cyprinid species were published. The main results at country level include training programmes on best irrigation practices in Moldova and promotion of good agricultural practices in Georgia. The initiative also supported the National Strategy for Integrated Pest Management through a workshop on raising policy awareness in Moldova and Tajikistan and the enhancement of carbon sticks in dryland forest, through innovative forest management and rehabilitation practices in Kyrgyzstan.
 - ii. As regards the reduction of rural poverty (SO 3.1) at global and regional level around 200 government officials, land administration experts and representatives of NGOs from more than 50 countries were provided with policy advice at the 7th International LANDNET conference.⁶ The regional workshop with civil society organizations on awareness raising and implementation of the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT) in December 2016 was an important milestone and lay the foundation for further involvement of CSOs in promoting VGGT implementation. In FYR Macedonia and Kosovo⁷ support for the preparation of National Land Consolidation programmes is ongoing, while in Azerbaijan and Ukraine the introduction of land consolidation has been supported (3.1.2). Support has also been provided to Georgia in the development of a rural development strategy in partnership with UNDP, as well as in capacity development for rural development policy formulation. Pilot projects on rural development in two regions of Georgia have been supported together with the establishment of Local Action Groups (Output 3.1.5).
 - iii. RI-1 paid specific attention to integrating gender concerns across its work, but at the same time was successful in producing gender-specific products. For example, as part of knowledge building and generating evidence for inclusive and informed policies, at least nine publications have been produced in the languages of the region, including

⁶ <http://www.fao.org/europe/resources/land-tenure-workshops/en/>

⁷ References to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999)



the Country gender assessment series.⁸ In January 2017, FAO organized, in partnership with the European Institute for Gender Equality (EIGE), a high-level conference *Promoting socially inclusive rural development in Europe and Central Asia: Action for the 2030 Agenda*,⁹ which reviewed best practices in gender mainstreaming in agriculture and rural development, with participants representing governments and civil society from more than 20 countries in the region. As a result, a Joint Call for Action¹⁰ was agreed with particular recommendations to FAO and the countries in the region (3.1.5).

Regional Initiative on Improving agrifood trade and market integration (RI-2)

12. The purpose of the *Regional Initiative on Improving Agri-food Trade and Market Integration* is to support member countries in enhancing the agri-food trade policy environment for small and medium sized producers. The Initiative is built on the belief that enhancing the trade policy environment for modern agri-food markets requires the development of capacity both for trade agreements and for domestic food safety and quality standards. Thus, the *Initiative* builds the capacity of government officials in the implementation of trade, and develops their capacity to create a supportive environment for trade and export diversification. In addition, the Initiative develops the capacity of both governments and agricultural producers to implement international food quality and safety standards. These three closely linked areas of capacity development are included in one regional initiative in order to support the sharing of ideas, experiences and solutions across interventions, so as to better address the needs of the Member States.
13. Through RI-2, FAO is focusing its efforts on increasing efficiency and inclusiveness in agrifood systems (SO4). Building capacities on international trade agreements (4.1.2) is one of the main components of RI2. International trade agreements, such as the World Trade Organization (WTO) agreements, form the basic rules for international trade, and thus form the environment in which domestic trade policies are formulated. A supportive policy environment for trade must first and foremost be built on the principles found in the WTO agreements. But modern agricultural global markets also require that producers meet rigorous standards on food safety and sanitary and phytosanitary issues. The WTO Agreement on Agriculture recommends that countries adopt the standards of three standard setting bodies—Codex Alimentarius, the International Plant Protection Convention (IPPC) and the World Organization for Animal Health (OIE). In light of this, government policies to encourage exports must also include policies on adherence to the standards and recommendations of these three institutions. It is important to note that while international trade policy is usually implemented at the border, adherence to food safety and quality standards concern the national food safety system as well as the systems of food safety and quality control at the enterprise level. Therefore, a supportive policy environment for modern agrifood trade concerns not only border policies, but policies and institutions at national and enterprise level. FAO strengthens national regulatory frameworks and public

⁸ The Country gender assessment series produced for the region are available at: <http://www.fao.org/europe/resources/gender/en/> . For other publications please visit: <http://www.fao.org/europe/resources/en/>

⁹ For more information, please visit: <http://www.fao.org/europe/events/detail-events/en/c/461793/>

¹⁰ Available at: <http://www.fao.org/3/a-i7020e.pdf>



capacity concerning food safety (4.1.4.) by supporting the practical application of risk analysis in national food control and governance frameworks and more effective participation of countries in the international standard setting work.

14. The Regional Initiative successfully collaborates with partners such as the United Nations Institute for Training and Research (UNITAR) on organising online trainings on WTO agreements and procedures for Russian-speaking specialists from the post-Soviet countries who work in ministries of agriculture, economy and trade, agencies responsible for SPS issues, universities and business. Another major partner is the European Bank for Reconstruction and Development (EBRD), which finances many FAO/TCI projects currently being implemented in Ukraine, Serbia, Georgia, Kazakhstan, Russia, Montenegro and Croatia.
15. RI2 specifically targets SDG 2, SDG 8, SDG 9, SDG 12, SDG 15 and SDG 17. The creation of the Agricultural Trade Expert Network (ATEN) in Europe and Central Asia constituted a major contribution towards SDG 17. The Agricultural Trade Expert Network allowed a very robust and coherent group of experts to be formed in the region. These experts have the ability to inform and influence policy making in the agricultural and trade sector. These experts publish research, develop curriculums for university students, make public statements, review law proposals and are frequently called upon by governments to provide expert advice on specific policy issues.
16. Cross SP work mainly consists of collaboration on gender issues and nutrition. This includes specific projects for generating income opportunities and women's economic empowerment, implemented in Central Asian countries (Kyrgyzstan and Uzbekistan). In particular, FAO is contributing to the advancement of women's economic empowerment and rural development through the revival and development of selected value chains on rural crafts and the development of potential in crafts trade. Support to five REU countries (Albania, Armenia, Kyrgyzstan, Tajikistan and Ukraine) in strengthening school food and nutrition programmes from food system perspective with small-scale farms sourced food supply, has promoted cross-SP work at the interface of SP4 with SP1 and SP3.
17. Highlights of achievements:
 - i. As regards international agreements promoting enhanced market opportunities (4.1.2) at regional level, one e-learning course on resolving agricultural trade issues and one e-learning course on agrifood policy transparency based on WTO rules and procedures were conducted with the participation of around 180 representatives from 12 post-Soviet countries. FAO organized the annual meeting of the Agricultural Trade Expert Network, as well as two sessions during the international conferences on "Regional and International Cooperation in Central Asia and South Caucasus: Recent Developments in Agricultural Trade" in Uzbekistan, and "Recent Trends in Agricultural Trade Policy" in Kazakhstan. Monthly bulletins of the Agricultural Trade Expert Network and the "Review of Agricultural Trade Policies in post-Soviet countries in 2014-15" were published while the next edition of the agri-trade policy review, which focuses on 2015-16, will be soon released. The capacities of the Serbian authorities and private sector to resolve trade policy issues were strengthened through a workshop on the WTO dispute resolution mechanism.

- ii. In the field of international food quality and safety standards, covering plant, animal health and food safety (4.1.4) and related areas; at regional level support was provided for the improvement of brucellosis prevention and a control strategy; risk analysis was conducted, guidance was provided, and capacity building workshops were organized on progressive control pathway (PCP), foot-and-mouth disease (FMD) and African swine fever (ASF) control. Regarding plant protection, the regional training on fulfilment the requirements of the International Plant Protection Convention (IPPC) was organised. At the country level in Moldova among others (i) draft laws on food hygiene and (ii) national guides on good hygiene practices for the production of milk as raw material in small-scale and family farms, and (iii) a draft of the Food Safety Emergency Response Plan were developed. In Belarus RI-2 focuses on phytosanitary issues by strengthening related capacities of public sector institutions. In Armenia and Georgia support was provided to improving brucellosis prevention and control capacities in line with the OIE, FAO and WHO standards. In Tajikistan four national guides on good hygiene practices have been elaborated for four food subsectors and trainings have been implemented for target users such as small-scale enterprises.
- iii. In the field of export diversification and promotion as well as similar areas (4.2 and 4.3) an expert roundtable on “Best practices in export promotion: Experiences in Latin America, Europe and Central Asia” took place in Germany, co-organized with The Leibniz Institute of Agricultural Development in Transition Economies (IAMO). At country level country-case studies of food export promotional programmes were prepared for Moldova. In Kyrgyzstan technical input was provided for the implementation of the Export Development Plan for 2015-2017, including a technical workshop with more than seventy representatives from the public and private sectors, academia and international organizations, including experts from Kazakhstan, Switzerland, Ukraine and the EU Delegation. In Kyrgyzstan FAO also developed studies to support value chain development, including a report on the value chain of sheep meat sector. It also organized a stakeholder meeting to discuss the report results and outlook. In Montenegro, training on certification and accreditation and a workshop on promotion and marketing were organized while in Kazakhstan a training to support inclusive dairy value chain development was held. FAO work also covered the review and synthesis of data and information about geographical indications (GI), as well as data collection on potential GI products and gaps for the development of sustainable GIs. Increased focus is foreseen through 2017 on agri-food value chain analysis and support to value chain development in selected countries.
- iv. Gender and nutrition: three studies have been produced, namely: (1) an assessment of the possibilities for income diversification through rural crafts development (in support of small businesses and job creation for women and men in rural communities in the Republic of Uzbekistan); (2) Review and analysis of exporting potential and marketing opportunities for rural off-farm activities in Central Asia (Reviewed countries: Kyrgyzstan, Tajikistan, Uzbekistan) and (3) Gender-sensitive value chain analysis of sericulture in Azerbaijan. Nearly 50 rural women from remote villages of Kyrgyzstan and Uzbekistan have been trained over the last two months under the RI-2 pilot activities, improving their skills to produce craft products that are competitive on markets.



Sustainable natural resource management including climate change mitigation and adaptation (Strategic Objective 2 and 5)

18. Work under this area focused on Climate-Smart Agriculture (2.1 and 5.1) – including the methodologies and tools for undertaking integrated assessments and interventions at policy level – creating an enabling environment, and resource management and farming systems. The implementation of international instruments and related government mechanisms at national level were supported (2.3) as was evidence-based decision making in the field of natural resource management (2.4) through various products and services related to assessments, statistics and analysis.

19. Highlights of achievements:

- i. In Albania assistance was provided to the yearly evaluation of the marine fishery stock, as well as to the Fishery Laboratory and the Fishery Department at the Agricultural University of Tirana on the application of standard methodologies for the collection, organisation and treatment of data, the evaluation of biological resources and the identification and analytical use of socio-economic indicators (2.4.3);
- ii. In Georgia FAO supported the Ministry of Agriculture of Georgia (MoA), its National Food Agency (NFA), and National Environmental Agency (NEA) of the Ministry of Environment and Natural Resources Protection of Georgia (MoENRP) in the process of establishing an agro-meteorology system. An Agro-meteorology Feasibility Study was carried out and the pilot of an establishment of agro-meteorological network in Kakheti region was implemented by FAO in collaboration with NFA and NEA. With FAO support the existing 14 agro-meteorological stations have been fine-tuned to agro-meteorology requirements for IPM models and other new agro-meteorological stations (10 stations) have been established in the Kakheti region (2.4.3).

Strengthening food security and increasing resilience of livelihoods to threats and crisis (Strategic Objectives 1 and 5)

20. Results under this area covered all three SO1 Outcomes related to policies, programs and legal frameworks (1.3), strengthening governance and coordination mechanisms (1.2) as well as evidence building and production of high-quality comprehensive food security and nutrition analysis (1.3). SO5 related work covered risks and vulnerability reduction at household and community level (5.3) as well as preparation for and management of effective responses to disasters and crisis (5.4).

21. Specific achievements include:

- i. In Albania the National Food and Nutrition Action Plan (NFNAP) has been endorsed by line ministries and published. The Ministry of Agriculture, Rural Development and Water Administration – in close collaboration with the Ministry of Education and Science – initiated its implementation with organizing school nutrition (1.1.1).
- ii. At regional level, capacities of the Economic Cooperation Organization - Regional Coordination Centre (ECO-RCC) and its member states were strengthened through study tours and experience sharing between participating countries as well as through trainings, seminars, and advocacy materials (1.1.3).



- iii. In Kyrgyzstan support was provided to the Food Security and Nutrition Council and its Secretariat by developing its terms of reference and coordinating related efforts of other agencies (1.2.1).
- iv. In Tajikistan capacity development courses have been provided to collect and analyse a food-based indicator - Minimum Dietary Diversity-Women (MDDW), resulting in upscaling nationwide MDD-W data collection by integrating it into the National Household Budget Survey. In addition, The Ministry of Health & Social Protection of Tajikistan has included MDD-W as a food-based indicator to track nutrition progress under Goal 3 of the country's Sustainable Development Strategy (2016-30) (1.3.1).
- v. In Turkey, FAO support contributes to promoting food security, capacity development and sustainable natural resource management. Under the framework of Regional Refugee and Resilience Plan (3RP) FAO Turkey has developed proposals to support the food security and livelihood of the Syrian refugees and host communities, these include the promotion of small-scale agricultural production and the promotion of nutrition education, capacity development and awareness building on food safety (5.3.1).
- vi. In Ukraine, Emergency Assistance has been provided to Internally Displaced Persons (IDPs) in Government-Controlled and Non-Government-Controlled Areas in order to contribute to the stabilization of agricultural production and income generation for crisis-affected population. Under Emergency Assistance, a total of 17,131 households received emergency assistance in the form of farming inputs. Beneficiaries were provided with high quality potato seed tubers, packages of chicken with chicken feed, and concentrated animal feed (5.4.3),

Cross-cutting areas, including statistics, gender and nutrition (Objective 6)

- 22. During 2016 work related to statistics focused on assisting Armenia and Georgia in processing and dissemination of the data of their agricultural censuses and improving agricultural statistics, publication, dissemination of the World Programme on Census of Agriculture 2020 (WCA 2020) in Russian and strengthening national capacities for production and analysis of sex-disaggregated and gender sensitive data in the region.
- 23. The work of FAO towards gender equality in rural areas and agriculture is framed by the *FAO Regional Gender Equality Strategy for Europe and Central Asia 2016 – 2017*.¹¹ It is focused on gender mainstreaming and complemented by gender-specific actions where necessary. FAO efforts on gender mainstreaming include capacity development and awareness raising, based on the region-specific methodological tools developed for this purpose. In Albania, Georgia, Kosovo, Tajikistan and Uzbekistan support was provided for developing gender-responsive strategies and action plans on agriculture and forestry development. Capacity development of national partners has included research, analysis and awareness raising and training on gender dimensions of land tenure, organic agriculture, extension services, social protection, forestry, gender-sensitive value chains, and other areas of FAO technical mandate. Examples of gender-specific actions include the United Nations Joint Programme on Rural Women's

¹¹ Available at: <http://www.fao.org/3/a-i5501e.pdf>



Economic Empowerment (Kyrgyzstan); pilot activities in Albania, Kyrgyzstan and Uzbekistan to diversify rural women's income generating opportunities.

24. In the area of nutrition, work focused on following the recommendations of ICN2 Rome Declaration on Nutrition and Framework for Action in the region by raising awareness and providing advocacy for the need to mainstream nutrition objectives into agricultural policies and raise nutrition sensitivity of food systems. Nutrition mainstreaming was promoted in several FAO initiatives in the region, such as the Sustainable Food and Agriculture (SFA) regional workshop organized in December 2016 and the high-level conference "Promoting socially inclusive rural development in Europe and Central Asia: Action for the 2030 Agenda" held in Vilnius, Lithuania, in January 2017. A multi-year project was initiated in 2016 on strengthening food security and nutrition through multi-sectorial collaboration in selected countries of the Caucasus and Central Asia with components on support to establishing school food and nutrition programs linked to local food supply from small-scale farms. In addition, work on developing school food and nutrition programmes from a food system perspective was initiated and are on-going also in Ukraine and Albania. In 2017 a Regional Symposium on Sustainable Food Systems for Improved Nutrition of Children is planned in cooperation with WHO and with contributions from WFP and UNICEF.

Resource mobilization

25. The total extra-budgetary resources mobilized in 2016 amounted to USD 23.17 million. This represents the mobilization of 37 percent of the mobilization target (USD 62 million) for the 2016-17 biennium. Based on the current pipeline, the forecast for expected approvals from voluntary contribution funded projects in 2017 is above USD 50 million, which would overcome the indicated resource mobilization target for 2016-17.
26. Resources mobilized for development cooperation in 2016 amounted to USD 20.58 million. The main resource partners were the European Union and Switzerland, with a share of 67 percent.
27. Resources mobilized for emergency cooperation in 2016 amounted to USD 2.6 million. The main emergency operations responded to the conflict in Eastern Ukraine. The main resource partner for emergency funding was Canada.

Lessons learnt

28. During 2016 a quarterly operational monitoring exercise was introduced, further strengthening cooperation between country and regional offices as well as Strategic Programme Teams at Headquarters, providing a good basis for 2018-19 work planning to come in 2017.
29. The countries – both focus and non-focus countries – consider the two ongoing regional initiatives and the newly proposed third regional initiative to be relevant for their country programmes. The majority of the components of the ongoing two RIs are well linked to local policies and country development processes and they are in line with the CPF priorities, but with different weight in the different countries.
30. Although the majority of activities at country level are linked to RIs, they found it difficult to assess the expected impact of RIs, considering that they were only launched in the last biennium. The linkages between the RIs and the CPFs and projects have been found to be crucial to increase result orientation and impact.
31. Considering cross cutting themes under the RIs, the work needs to be: more mainstreamed and have more integrated nutrition sensitivity, resilient to climate change, and linked to social protection systems that help to ensure food security. Other needs include improved nutrition, protection before and after shocks and stresses, promotion of resilient livelihoods, and sustainable management of eco-systems. Led by the ‘leaving no one behind’ principles, the RIs will continue to address the issues pertaining to gender equality in a coherent and systematic manner, building on the results of the stock-taking exercise planned to be conducted in June-August 2017.
32. More advocacy, visibility and PR need to be done on the RIs, both externally and internally. This will help to encourage more converging of on-going activities into the three themes, and for familiarization of all staff with the concepts, as well as to present and discuss the RIs with government counterparts.