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منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
Agriculture
Organization
of
the
United
Nations

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

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

CONFERENCE CONFÉRENCE CONFERENCIA

Thirty-fourth Session • Trente-quatrième session • 34° período de sesiones

**Rome, 17-24 November 2007
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OF THE CONFERENCE**

**Rome, 17-24 novembre 2007
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CONFERENCE CONFÉRENCE CONFERENCIA

**Thirty-fourth Session
Trente-quatrième session
34º período de sesiones**

**Rome, 17 November – 24 November 2007
Rome, 17 novembre – 24 novembre 2007
Roma, 17 de noviembre – 24 de noviembre de 2007**

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

19 November 2007

The First Meeting was opened at 11:18 hours
Mr Mario Arvelo Caamaño,
Chairperson of Commission II, presiding

La première séance est ouverte à 11 h 18
sous la présidence de M Mario Arvelo Caamaño,
Président de la Commission II

Se abre la primera sesión a las 11.18 horas
bajo la presidencia del Sr Mario Arvelo Caamaño,
Presidente de la Comisión II

PRESIDENTE

Buenos días a todos. Deseo dar una especial bienvenida a los distinguidos delegados que han llegado desde las distintas capitales en ocasión de la Conferencia General y que se han integrado a los trabajos de esta Comisión. Bienvenidos a Roma.

Deseo también pedir las más sentidas excusas en nombre propio, de los vicepresidentes y del secretariado por la tardanza con la cual estamos comenzando nuestros trabajos. Lamentablemente muchos de ustedes han debido subsidiar con su tiempo el hecho de que muchas delegaciones han estado atendiendo el discurso del Director General y atendiendo también ministros y dignatarios venidos de capital y no habíamos podido reunir el quórum necesario.

El 10 diciembre de 1949 el señor Gunnar Jahn, Presidente del Comité Nobel, presentó el Premio de la Paz al científico británico Lord Boyd Orr, uno de los padres fundadores de esta Organización y su primer Director General.

Detengámonos un instante a situar nuestra imaginación en aquel momento. La ceremonia del Premio Nobel tenía lugar en el auditorio de la Universidad de Oslo sólo cuatro años después del fin de la Segunda Guerra Mundial. Naciones enteras estaban en ruinas. El experimento de las Naciones Unidas, y sus promesas de esperanza, de paz, de prosperidad y de justicia, apenas comenzaba.

En ese contexto, Boyd Orr recibió el Premio Nobel por haber ayudado a establecer una organización internacional, esta organización internacional que emprendía "uno de los pasos más importantes que jamás se han producido para construir un mundo mejor y para forjar las bases de una paz duradera".

Boyd Orr articuló la idea de que "todas las naciones deben aceptar la responsabilidad de asegurar a sus ciudadanos el alimento necesario para mantener la vida y la salud. Los gobiernos del mundo deben cooperar para garantizar que este objetivo pueda ser alcanzado por todas las personas en todos los países".

El pensamiento de Boyd Orr, quien falleció en 1971, continúa exhortándonos hoy. En su discurso de aceptación del Premio Nobel de la Paz de 1949 Boyd Orr dijo: "Que las naciones se reúnan y sometan al debate las cuestiones concretas y prácticas que sean beneficiosas para la humanidad, que sus delegados hablen sobre estas cuestiones y lleguen a acuerdos".

Nuestra agenda de trabajo esta semana trata precisamente de esto: examinar la ejecución y evaluación de la labor realizada durante el bienio que finaliza, considerar un programa de trabajo para los próximos dos años y continuar avanzando en un proceso de renovación del que nuestra Organización saldrá fortalecida para continuar cumpliendo su mandato con cada vez más eficiencia y eficacia.

(continues in English)

CHAIRPERSON

I have the honour of Chairing Commission II and calling to order this first meeting of the Commission. I will reiterate that we have a full agenda for the week and a difficult task ahead of us, including making a report to the Plenary of the Conference on Friday morning, on a budget level that by that time will have been endorsed by consensus in this Commission.

I am confident that with your goodwill and collaborative spirit we will complete our work in a satisfactory and timely manner.

Turning now to our timetable, as contained in document C 2007/12-Rev. 1, the Commission will commence its substantive discussions with Item 11. That is the Programme Implementation Report (PIR) 2004-2005, and if we are able to complete its discussion, I will, with your concurrence, bring forward our discussion of Item 12, that is the Programme Evaluation Report 2007 to this morning. It had originally been tabled for this afternoon, but the Secretary tells me

that there is the probability that we will be able to finish both items in the morning session, even though we are starting quite late.

Once we have completed these two items, I would request your concurrence for a break in the session before we take up Item 14, which is the Independent External Evaluation (IEE) of FAO here in the Commission. Document C 2007/LIM/12 contains an extract of the Report of the One Hundredth and Thirty-third Council, and gives the Conference the opportunity of extending the work of the Friends of the Independent Chair of the Council on IEE Follow-up. I have spoken with the Independent Chair of Council on this and he is ready to continue the job that he has so far been conducting on getting us together on the same page, so to speak, and also literally for a Conference Resolution on the matter.

I would, at this point then, request your agreement to allow the Friends of the Independent Chair of the Council to continue its work and to only take up Item 14 in Commission II once I agree with Professor Noori on the fact that it is a good time to do so, and this will hopefully take place later this afternoon. So, if we all concur that this is the appropriate course of action, we will proceed.

I will now ask Mr James Melanson, the Deputy Permanent Representative of Canada, who has been elected as Vice-Chair of this Commission by the Council to take over the work for the morning session.

James Melanson, Vice-Chairperson of Commission II, took the Chair
James Melanson, Vice-Président de la Commission II, assume la présidence
Ocupa la presidencia James Melanson, Vicepresidente de la Comisión II

PROGRAMME AND BUDGETARY MATTERS

QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET

CUESTIONES PROGRAMÁTICAS Y PRESUPUESTARIAS

- 11. Programme Implementation Report 2004-2005 (C 2007/8)**
11. Rapport sur l'exécution du Programme 2004-2005 (C 2007/8)
11. Informe sobre la Ejecución del Programa, 2004-2005 (C 2007/8)

CHAIRPERSON

Well thank you to Ambassador Arvelo. We are to finish this morning's business, if possible, the Programme Implementation Report and the Programme Evaluation Report.

The PIR, Programme Implementation Report 2004-2005 is document C 2007/8 and document C 2007/LIM/2.

I will turn over now to Mr Boyd Haight to introduce the item.

Boyd HAIGHT (FAO Staff)

First, I would like to convey the apologies of Mr. Manoj Juneja, Director of Programme, Budget and Evaluation, who could not be present this morning to hear your debate on this item.

In this brief introduction I will touch on the purpose, format and content of the Programme Implementation Report, which was reviewed by the Programme and Finance Committees and the Council last year, as well as by the technical committees on agriculture, fisheries and forestry earlier this year.

In accordance with the suite of planning and reporting documents foreseen in the Strategic Framework, the purpose of the Programme Implementation Report is to serve as an accountability document, providing quantitative data on programme delivery. The PIR 2004-2005 reports on the sources and uses of resources in relation to the delivery of products and services planned in the Programme of Work and Budget 2004-2005. It is important to recall that the assessment of longer

term outcomes and objectives is the subject of independent evaluations that cover a longer time span than the quantitative biennial picture of achievements in the Programme Implementation Report.

Now at its session in November 2006, the Council welcomed the concise and more focussed format of the Programme Implementation Report and recognized that the changes have taken due account of the specific guidance of the Governing Bodies. The Council endorsed and elaborated on the suggestions of the Committees for further improvements on reporting in four areas:

Firstly, the articulation of programme achievements related to planned and expected results, with more quantitative analysis of outputs and results of auto-evaluations;

Secondly, more in-depth analysis on the contribution of TCP projects; their catalytic role and relation to FAO's programmes, their support to capacity-building, and regional dimensions;

Thirdly, the contribution of collaboration with partners, in particular the Rome-based UN agencies;

Fourthly, a clearer presentation of regional dimensions in future report.

The Secretariat stands ready to act on your guidance in preparing the next PIR for 2006-2007, also taking account of follow-up to the IEE, for example on further implementation of results-based management.

Now turning to the content of the present version of the PIR, it focuses on two aspects of performance.

Organizational Performance reviews the overall budgetary performance, the cost of supporting the field programme, the application of the FAO language policy, and progress in geographical representation and gender balance of professional staff. This version of the PIR includes reports on progress in achieving efficiency savings, and on the one-time uses of the 2002 arrears payment by the major contributor.

The Summary of Programme Implementation provides the main achievements at programme level, building upon the delivery of programme entity outputs and services. A new feature is the coverage of regional dimensions and the inclusion of achievements through extra-budgetary resources at the Programme level rather than at separate sections.

Regarding results reported in this document, overall delivery under the Regular Programme included full utilization of budgeted resources; that is 99.9 percent of the Appropriation was spent. Delivery under the Technical Cooperation Programme reached its highest level ever, and expenditure of extra-budgetary resources increased by 2.4 percent, driven by a significant increase under trust funds not linked to Emergencies. Thus the Organization was able to utilize all the resources put at its disposal in the biennium.

Areas of main achievements under Chapters 2, 3 and 4 include the implementation of global instruments such as Codex, the International Plant Protection Convention (IPPC), the Rotterdam Convention, and the International Treaty on Plant Genetic Resources for Food and Agriculture. Direct assistance to countries was facilitated by TCP and trust fund projects. Many programmes had to adapt in response to serious global and regional emergencies, including Avian Influenza, desert locust outbreaks through the EMPRES programme, the impact of the tsunami in Southern Asia, and other natural disasters. The redevelopment of FAOSTAT, the growth in the use of WAICENT, and the initiation of 'Ask FAO' and "Best Practices" services contributed to FAO's role as a knowledge organization. Gender concerns were further mainstreamed through awareness raising, capacity-building and the development of knowledge systems. These aspects are, in fact, being discussed in Commission I this morning.

Areas of main achievements under Chapters 5 and 6 include successful implementation of the split assessment mechanism, a major technical upgrade of the Oracle-based financial systems, and streamlining of procedures in such areas as invoices and payments. There was steady progress in developing the Human Resources Management System supported by arrears funding and

improvements in human resources service delivery were formulated based on a new Human Resources Management Model. This has laid the groundwork for current and future cost and efficiency savings in administrative processing.

The Organization also had to take decisive action during the biennium to ensure a safe and secure working environment for staff in all locations. Security expenditures totalled about US\$19 million, more than double the previous biennium. They covered FAO's share of the UN Department of Security and Safety, measures for increased safety and security of staff at Headquarters, and provision of security equipment and facilities in the field.

The Council expressed satisfaction with the reported achievements in the biennium, including full utilization of budgeted resources and endorsed the PIR 2004-2005 for transmission to Conference. The Secretariat stands ready to provide any clarifications the Conference may require on this report.

CHAIRPERSON

This is a document that has been before you for some time; it has been through the Programme Committee and Council. Observations have already been expressed; the floor is open to you. You are invited to make comments, both on format and the content of the document.

Seiichi YOKOI (Japan)

Japan welcomes the Report and appreciates the fact that the structure of the Report has been improved and the Report is more compact than that of a previous biennium.

Japan would like to take this opportunity to express some suggestions in order to improve the report in the future. I would like to raise two points; both are related to the Technical Cooperation Programme. Firstly, for the sake of transparency, the project number and the cost for each host country should be explicitly presented in the report. Secondly, the analysis on effectiveness, efficiency, outcome and impact of the Technical Cooperation Programme should be included in the report.

CHAIRPERSON

Japan has given two specific observations on what should be covered in future. Other delegations?

Brett HUGHES (Australia)

I am going to be very brief. I just wish to express our support for the comments made by the Japanese delegation.

Sabtu Bin SLAMAT (Malaysia)

The Programme Implementation Report 2004-2005 shows substantial improvement over the previous period's report because it is results-based. It is essential that Member Nations know fully how programmes are conducted under FAO results-based budgeting objectives. Such analysis by FAO is crucial under a programme of limited resources.

The total FAO expenditure for 2004-2005 was US\$1,543 million which was 10.2 percent higher than biennium 2002-2003, in spite of slight adjustments made during its implementation. This is clearly shown in Table 3 of the Report. The transfers of the Regular Programme appropriation involve US\$300,000 from Chapter 1, US\$2.54 million from Chapter 2, US\$50,000 from Chapter 5, US\$1.54 million from Chapter 3 and US\$1.35 million from Chapter 6.

My delegation is concerned with the transfers between programmes because they often lead to income shortfalls, exchange variance on non-staff costs, ICSC decisions on staff costs and others. We are more concerned on the reduction made under Chapter 2, Technical Cooperation Programme (TCP) and Special Programme on Food Security (SPFS) of about US\$2.54 million and a decrease in the Field Programme expenditures funded from the Regular Programme for TCP and SPFS and a reduction of funds for regional offices compared to the previous biennium.

The technical assistance to Member Nations is an important part of FAO's mandate which is clearly specified under Article I.(3)a of the Organization's Constitution. Malaysia would like to urge that all TCP and SPFS programmes should not be changed by FAO. If they want to do so, they must refer to the Programmes and Finance Committees immediately.

There were also significant reductions for Programme 2.1.1 Natural Resources, Programme 2.2.3 Food and Agriculture Information, Programme 2.3.3 Fisheries Importation and Utilization, and Programme 2.3.4 Fisheries Policy totalling about US 2.2 million as show in paragraph 34 of the report.

On the Split Assessment Application which was adopted at the Thirty-second Conference Session in 2003, Malaysia is pleased to note that the overall performance of this methodology was positive.

Members seemed to adapt to the new arrangement relatively easily, however, the delay in payments of Member Nations has caused exchange passes during the biennium which could be eliminated through timely payment of assessments.

On the Technical Support Service (TSS) as shown in Table 7, Malaysia commends FAO for the increase in the total Field Programme delivery in 2004-2005 by 2.1 percent from the previous biennium. However, we are concerned over the TSS costs, whereby more than 80 percent of the total expenditure amounting to US\$76.6 million was dedicated to the monitoring, evaluation and reporting processes and only 20 percent was dedicated to the project proper. We would like FAO to review this matter in future and consider the proportion to be 60:40 and finally 50:50 to ensure that more funding will be spent on the project proper and provide more opportunities to the beneficiaries.

Malaysia also wishes to express its concern over the high increase in the Administrative and Operational Costs (AOS) at FAO headquarters by nearly US\$34 million to US\$ 105 million in 2004-2005 as shown in Table 9, compared to the total TSS costs of only US\$76.6 million.

With the decentralization process initiated by the Director-General of FAO, the FAO's delivery systems should be shifted more at the regional and country levels for more effective and efficiency savings. We urge FAO to provide more funding to the TSS rather than to the AOS.

The Secretariat has elected some areas where efficiency savings were expected in the biennium as shown in paragraphs 63 to 75. The estimated total efficiency savings for the biennium provided by the Secretariat is less than US\$4.5 million, which is 0.5 percent of the total FAO Regular Budget for the biennium. Malaysia notes that the total efficiency savings are quite low and would like to urge the Secretariat to identify more areas and also take into account the recommendations provided by the IEE final report.

Paragraphs 95 to 97 mention about the geographical distribution of staff. We notice that a number of countries in the Asia region are under-represented. We would like to urge the Secretariat to adopt more concrete and effective measures to improve the situation.

My delegation knows that 24 of the non-represented nations in 2003 were still not represented at the end of 2005, even with the implementation of the new methodology in January 2004.

Malaysia commends the Organization in the activities of Codex Alimentarius and we are pleased to notice that more than 39 new or revised Codex standards and related texts, as well as a number of maximum limits for food additives and contaminants, and maximum residue limits for pesticides and veterinary drugs were adopted in 2004-2005.

We agree that the role of FAO and WHO is crucial in providing training and also publications of technical tools, particularly in reviewing and reorganizing the food safety systems, establishing and operation of the National Codex Committee. However, we urge FAO to provide more funds to the Codex work seeing that WHO has reduced its funding to the Codex work by more than 20 percent compared to the previous biennium.

Malaysia commends the Investment Centre Division, TCI, in its efforts to increase the commitment of external and domestic resources to the agricultural and rural sector in the developing countries and countries in transition. It also facilitates the interaction of governments with major international financing institutions, UN agencies and bilateral donors. We are happy to note that TCI is active in some one hundred countries where it assists to place agriculture and rural development agendas of government and international financing institutions. However, we feel that the TCI Division can also help to facilitate Member Nations in searching for their matching partners, particularly in the agricultural trade. Most developing Member Nations are able to produce their agricultural products but they face problems in marketing them internationally.

The Organization is facing serious financial constraints, in the years to come, more and more developing nations will find it difficult to get assistance from FAO in developing and implementing their agricultural programmes, particularly programmes that are essential in meeting in meeting MDGs.

Malaysia wishes to propose to the Governing Bodies of the Organization to adopt a cost-sharing policy for all the TCPs to our Member Nations except for some very poor countries. This would certainly relieve the burden of ownership on the Organization.

Ms Usha PITTS (United States of America)

We believe that the PIR is an informative and useful report. We would like to thank the Secretariat for providing the PIR 2004-2005 which represents a significant undertaking by FAO. We commend FAO for adapting a new format of the report, which is an improvement from previous years. We continue to believe that it is important for the Member States to know fully how the programmes are conducted, given the limited resources that FAO faces and will continue to face. We applaud that in this report there are several subsections that cover subjects such as progress made in relation to efficiency savings, the continued attention to geographical representation and others. It is essential that FAO continues to move towards providing a qualitative assessment to the Members in order to form judgements on the impact of FAO's programmes. We are strong supporters of results oriented reporting. For this reason, we prefer shorter and more focused documents. This year the report is structured essentially around two main sections: organizational performance and summary of programme implementation. This makes it easier to read by the policy makers in my country. This concludes my remarks.

Kasem PRASUSTSANGHCHAN (Thailand)

My delegation welcomes the comprehensive Programme Implementation Report 2004-2005. It is more focusing on regional aspects. Thailand also appreciates the new establishment of the state of agricultural commodity markets, that can provide the useful information for wide audiences or policy-makers and the general public. Thailand notes with concern that, the share of expenditure of its headquarters is up from 62 percent in 2002-2003 to 65 percent in 2004-2005, while field programme expenditures funded from the Regular Programme decreased from 14 percent in 2002-2003 to 13 percent in 2004-2005, and regional offices decreased from ten percent to eight percent as stated in paragraph 33 of the document. This means that headquarters remains the dominant of expenditure for the Organization, despite the decentralization. We hope that FAO will input more resources for activities in the regional and subregional offices for the next biennium.

Zohrab V. MALEK (Armenia)

Armenia would like to support the suggestions and remarks made by Japan.

CHAIRPERSON

That closes the speakers' list and I will ask the Secretariat to provide a response.

Boyd HAIGHT (FAO staff)

Thank you Mr Chairperson and thank you delegates, in particular, for the comments on the format of the document and the appreciation you have expressed for the changes that we have made in this version and which we are committed to make in future versions. I would just like to comment and respond to a few of the questions and comments made by delegates. Japan, also supported by Australia and Armenia, asked that we improve on the reporting on TCP projects and, concerning the reporting on the projects, numbers and the costs of each project, delegates are referred to this instance to the audited accounts of the Organization, which I believe is document C 2007/5, annexes 1 and 2 – report on the expenditure by country, and we can certainly look at, in the future, the possibility of bringing together some of this information into one document. We have already taken note and will look at the possibility of more reporting on linkages of the effectiveness of the programme in supporting the work of the Organization. Malaysia commented on the transfer of resources between chapters which is a result of the cost increases that we have had to absorb during the biennium, particular staff costs, such as the higher security costs that I noted in my introduction. These transfers, of course, are reviewed and approved by the Finance Committee in advance and are an inevitable consequence of the need to adapt during the biennium, as we have to stay within the approved appropriation. Concerning the trend in technical support service costs, in fact the report does show in table 8 that the proportion of time spent on staff of the Organization as part of the mandate of FAO to provide technical support services has stayed relatively steady between the biennium at about 29 percent of staff time and of course, as the field programme and extra-budgetary services continues to increase, the Organization has to continue to provide technical support to these programmes. On efficiency savings, as you have seen in the PWB, both 2006-2007 and 2008-2009 were committed to achieving more efficiency savings. We have laid the foundation for that through the improved systems and the IEE of course, has made comments on that. Thailand commented on the concern of the increase seen in headquarters share that was reported in 2004-2005. A lot has happened since this report was prepared and you will recall in 2006-2007, that the Director-General's reform proposals that were subsequently approved by the last Conference, had approved some improvements in the regional decentralized offices and we will certainly be reporting on a shift towards the region in 2006-2007, so hopefully this trend will be reversed. There was also a comment by Malaysia on the share of the geographic distribution. I don't know whether the Director of the Human Resources Division would like to speak on that.

CHAIRPERSON

Thank you very much. So comments in two broad categories suggested format and content for future reports and then some observations on the actual content of the 2004-2005 report which I think, as the Secretariat has pointed to us, is now somewhat historical. The Director of Human Resources has been invited to respond on one account. Would he like to come to the podium?

Tony ALONZI (Director, Human Resources Division)

There was a comment made that although the new methodology had been implemented, the share in under-and non-represented Member Nations had not really changed much. The effect of the change of the methodology – the one which affected over-and equitably-represented countries was that the over-represented during this period fell from 77 to 11 countries, and the equitable from 60 went to 128. That was the real effect of the shift. In the Asia region, I just want to comment that we have had four recruitment missions. For the Organization that is downsizing, however, vacant posts often suffer at the cost of meeting the budget and, therefore, our opportunities are very limited.

12. Programme Evaluation Report 2007 (C 2007/4)**12. Rapport d'évaluation du programme 2007 (C 2007/4)****12. Informe de Evaluación del Programa 2007 (C 2007/4)****CHAIRPERSON**

I understand that this is a subject area that has been of interest for the last couple of PIRs and will be of continued interest in future ones so I think it is something that the Secretariat will continue to report on. With that, if I see no further requests for the floor, we have completed the agenda item covering the Programme Implementation Report and we move on to Programme Evaluation Report. Unlike the Programme Implementation Report, which has been with us for over a year now, the Programme Evaluation Report has been with us for just over a week, as I understand it. I think delegates received it in the last week or two weeks. So it may be fresh for some of you. For that reason, I think an introduction from the Secretariat would be very useful, outlining what the purpose and content of that report is and following that, we can have some discussion. We have the Chief of the Evaluation Service, John Markie, with us. I will turn the floor over to him.

John MARKIE (FAO Staff)

Evaluation in FAO is forward-looking and is designed to provide members and management with substantive accountability on results and draw lessons and recommendations for future improvement. At the last Conference, we introduced the new format and content for the Programme Evaluation Report, which at that time, was well-received by you. The first part of the Programme Evaluation Report provides a summary of the evolving institutional arrangements and policies for evaluation. We think that you will find that that evolution is in the direction of increased independence, transparency, relevance and comprehensiveness of evaluations. A notable recent decision was that of the Council to ensure the full coverage of the evaluation of extra-budgetary resources and strengthened consultative arrangements for those evaluations. We are increasing our efforts to ensure countries are fully involved in evaluation. This especially applies to country evaluations and major evaluations of areas such as the Tsunami and the desert locust emergency. As we did previously, we have also reported on evaluation of the evaluation function in FAO. As evaluators, we are very conscious that we must not only evaluate but be evaluated. The Independent External Evaluation of FAO commissioned a separate evaluation of the evaluation function, which is summarized in their report and on which we have provided greater detail in the Programme Evaluation Report. This evaluation provided a number of recommendations for improvement in evaluation on which we are able to act immediately. It also made broader recommendations for strengthening of the evaluation function, including institutional arrangements, which if implemented, would make evaluation more functionally independent but at the same time, ensure its responsiveness to the needs of both the membership and management. Decisions on this will be made by the membership as part of the IEE follow-up. Finally in the report, we have reported upon the evaluation programme of the Organization for this current biennium and the plans for the forthcoming biennium 2008-2009. A growing area of commitment has been to UN system collaboration and evaluation, and FAO is making a particular contribution to the system-wide evaluation in delivering as one country pilot. As you know, the Programme Committee and Council decide upon the programme of work for major decisions, evaluations, and these are conducted by independent evaluation teams. They also review the reports of those evaluations. All the reports are also public documents available through the evaluation website. In the Programme Evaluation Report, we thus provide you with short summaries of those evaluations which have been considered by the Programme Committee during the last year, as well as the views of the Programme Committee and the response of management to those evaluations. This Programme Evaluation Report includes six such summaries, including those of Telefood, the desert locust emergency, commodities and trade, and the International Plant Protection Convention. We look to the advice of the Conference to further strengthen the usefulness of evaluation to the membership. We are working to improve evaluation quality, but

the ultimate test is to strengthen the usefulness of evaluation in making FAO more relevant to you.

CHAIRPERSON

Once again I think, delegates are invited to make observations on both the format and the content of the report. As you have heard it covers the current institutional arrangements for evaluation in FAO, some elements of evaluation of the Evaluation Service itself, which have come from the Independent External Evaluation and some extracts from the main thematic evaluations which have taken place over the last two years. So the floor is open to you.

Wendell DENNIS (United States of America)

We are noting that the report was very late. The United States continues to believe that ongoing evaluation can only further improve FAO's programme management process for greater transparency and learning.

There is no better tool than evaluations to confirm the validity and usefulness of programmes to end world hunger and poverty. Evaluation is both a management and accountability tool which must be focused on results in terms of benefits to target the users of FAO's services. A good, well-established and respected evaluation process ensures that critical resources are focused on areas of priority interest to members. It must be cost-effective and serve as a tool for internal management improvement. We would encourage FAO to continue the use of comparative benchmarking against similar programmes. Feedback from stakeholders, including questionnaires, sample surveys and other methodologies can help validate linkages between inputs and outcomes.

We would have liked to have much more time to study the report in depth. We hope this will be the case in the future.

CHAIRPERSON

Thank you United States. Do I see other requests for the floor?

Apparently everyone wants to get to lunch, so I will turn over to Mr Markie to respond.

John MARKIE (FAO Staff)

We were sorry it was late. This was due to a tight typographical problem which we were unaware of, which referred to the layout of the summary and we found out rather late that it was not in distribution.

I can assure the United States that we are and we intend to continue to make use of comparative benchmarking, feedback from stakeholders, which is obtained in quite a number of ways, including the use of questionnaires and also the increasing use of actual impact studies.

CHAIRPERSON

Well I think our record will have to show that indeed the Report did arrive late, and I suspect many delegations did not have the opportunity to do it full justice. A few comments were made with regard to what it might address in the future and how evaluation might be approached in the future but with that rather large caveat about the timing.

Ladies and Gentlemen, that concludes everything that we have on our agenda for this morning.

I will hand over to the Secretariat for an announcement on the rest of our schedule for today.

SECRETARY

As indicated by Ambassador Arvelo this morning, we will now hand over the Red Room to the Friends of the Independent Chairperson of the Council on the IEE follow-up.

We will meet in this room at 14.30 this afternoon. We the Secretariat will seek to advise you, through your pigeon holes and notices and indeed, on the television monitors located in various

points of the building at what time we will reconvene here this afternoon as Commission II to take up Item 14, the Independent External Evaluation of FAO.

However, in the event that the two Chairs decide that we are not in the position to reconvene here as Commission II, this afternoon, we will in any event, reconvene tomorrow morning here, at 9.30 sharply to take up the Programme of Work and Budget 2008-2009.

CHAIRPERSON

Thank you very much and with that we will close this morning's session.

The meeting rose at 12:09 hours

La séance est levée à 12 h 09

Se levanta la sesión a las 12.09 horas

CONFERENCE CONFÉRENCE CONFERENCIA

**Thirty-fourth Session
Trente-quatrième session
34º período de sesiones**

**Rome, 17 November – 24 November 2007
Rome, 17 novembre – 24 novembre 2007
Roma, 17 de noviembre – 24 de noviembre de 2007**

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

20 November 2007

The Second Meeting was opened at 10:04 hours
Mr Mario Arvelo Caamaño,
Chairperson of Commission II, presiding

La deuxième séance est ouverte à 10 h 04
sous la présidence de M Mario Arvelo Caamaño,
Président de la Commission II

Se abre la segunda sesión a las 10.04 horas
bajo la presidencia del Sr Mario Arvelo Caamaño,
Presidente de la Comisión II

PROGRAMME AND BUDGETARY MATTERS (continued)
QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET (suite)
CUESTIONES PROGRAMÁTICAS Y PRESUPUESTARIAS (continuación)

- 13. Programme of Work and Budget 2008-2009 (Draft Resolution)** (C 2007/3)
13. Programme de travail et budget 2008-2009 (Projet de résolution) (C 2007/3)
13. Programa de Trabajo y Presupuesto para 2008-2009 (Proyecto de resolución) (C 2007/3)

PRESIDENTE

Señoras y señores, distinguidos delegados, tal y como comencé la reunión de ayer deseo pedir excusas a aquéllos que están con nosotros desde la 9.30 por la tardanza en el inicio de nuestros trabajos. Existen disposiciones que debemos respetar el quórum necesario para comenzar nuestro debate y en este sentido, esta presidencia está consciente de que tenemos delegaciones con limitado número de funcionarios. Tenemos también funcionarios dignatarios que vienen desde las capitales y debemos atenderles y participar con ellos en otras reuniones, y por todo esto lamentablemente no estamos comenzando a las 9.30 que es la hora a la que estábamos convocados.

En todo caso ya estamos aquí. Comencemos entonces nuestros trabajos. Deseo de inmediato pasar al tema 13 de nuestra agenda que es el Programa de Trabajo y Presupuesto 2008-2009.

(continues in English)

CHAIRPERSON

Most will also recall that many members took the floor on this matter in last week's Council. So as far as possible, it would be helpful if repetition could be avoided and as we have a great deal of work to get through today, I will seek your cooperation in keeping interventions brief. I would again encourage delegations to use the facilities established in the First Report of the General Committee, that is document C 2007/LIM/9, and that refers to inserting statements directly into the verbatim records of this meeting without having to make the statement orally, by passing written statements to the podium so that I can inform the Commission of the receipt.

As I stated in the Commission yesterday morning, one of the most important tasks we face is to report to the Plenary of the Conference on Friday morning on a budget level, through a budget resolution which has been endorsed by consensus in this Commission. The rest of the Report of Commission II will be considered in Plenary on Saturday.

The Programme of Work and Budget 2008-2009 is contained in documents C/2007/3, including C 2007/LIM/8 and C 2007/LIM/14. Before inviting the distinguished delegations to take the floor on this item, I will turn to Mr Juneja, Director of the Office Programme, Budget and Evaluation to introduce the item. Many of us have heard Mr Juneja make his introduction in several governing bodies, I for one in the Programme Committee, in the Joint Committee and in other informal meetings, and we heard him as well in the Council. Now for our own benefit and for the benefit of all those who did not take part in those meetings and especially for those arriving from capitals, Mr Juneja will make a comprehensive presentation of this item.

Manoj JUNEJA (Director, Programme of Work and Budget, PBE)

In considering the Summary of Programme Work and Budget 2008-2009 at its June 2007 session, the Council sought more clarification on some financial and programmatic issues and provided specific guidance on the contents of the full Programme of Work and Budget. The document before you has been prepared to address those expectations. The interesting debate held last week in Council will further inform the current deliberations.

In the first instance a "maintenance budget" proposal is presented in the Programme of Work and Budget. It follows the conclusion of the June Council that the maintenance budget in the SPWB provided a basis for developing the full PWB.

Section II covers the programmatic aspects of the maintenance budget. The June Council recognized that a major reprioritization effort would not be warranted in this maintenance budget, as it would prejudice the eventual recommendations of the IEE on the substance of FAO's work. The maintenance budget, therefore, pursues the substantive priorities recently agreed by the membership.

Planned work in four key multidisciplinary areas has been specially highlighted, as per the Council's advice: knowledge exchange, capacity development, climate change, and bio-energy.

Section III.B elaborates the financial implications of the maintenance budget which continues to be aimed at preserving purchasing power in the execution of the Programme of Work in 2008-2009.

The aggregate additional resource requirements for a maintenance budget reach US\$120 million, representing a 15.7 percent increase over present levels at the 2006-2007 budget rate.

The elements of the maintenance budget have been studied carefully in previous sessions of the Finance Committee, in particular the session in May and the session in September, and also of course in the June session of the Council. The Secretariat also held a workshop on the maintenance budget for Permanent Representatives on 18 September. The increase in assessments arising out of a maintenance budget is significant. This is not because of future estimates of inflation, but is due to a catching up of past under-budgeting of FAO's unit cost of staff inputs.

Within the maintenance budget, a phased introduction of Russian as a language of the Organization has been included for US\$1.7 million for the biennium. This is, of course, one of the items under discussion by the Membership and we look forward to your final decision in that regard.

The IEE has previously informed members, through the Friends of the Chair meetings, that the maintenance budget proposed in the PWB 2008-09 is consistent with a Zero Real Growth budget formulation that the IEE concluded is a minimum precondition for formulation of a programme of transformational reforms. In other words, the PWB proposals, entailing a 15.7 percent increase in the budget and the IEE recommendations on resources for 2008-2009 are consistent. The two tracks for intergovernmental consideration of the PWB on the one hand, and of the IEE documentation on the other, are converging this week, through the work of this Commission. As the IEE itself acknowledges, this is a political decision, solely in the hands of Members.

I would also note that your discussions will need to address two additional funding issues which are not included in the PWB, namely funding for IEE Follow-up (in particular the Immediate Action Plan and the preparation of a draft Strategic Framework) and possible extra-budgetary resources for early action in implementing some of the IEE recommendations.

While on the question of extra-budgetary resources, I should mention that Section II.C takes a step towards addressing the intention to provide a more integrated presentation of regular budget and extra-budgetary resources in the full PWB. Such a comprehensive view would not only enable better oversight by the Governing Bodies of this important source of income, but also pave the way for a more concrete organization-wide resource mobilization strategy and open new opportunities for obtaining resources.

In addition to the maintenance budget, the PWB identifies requirements to tackle the precarious financial health, liquidity situation and reserves.

Following the guidance of the June Council, the full PWB also makes more phased proposals than in the SPWB for restoring the financial health of the Organization, and these are provided in Section III.c of the document.

The minimum incremental funding level is now proposed at US\$37.3 million. This covers partial replenishment of the Special Reserve Account, and funding for the After Service Medical Coverage (ASMC) past service liability, in accord with previous Council recommendations on these matters.

Savings and efficiency gains are outlined in Section I of the PWB and in separate information notes. The IEE Report, in paragraph 1223, commends the Organization for its actions and results to date. The IEE data was provided until 2004, and for 2006-2007, I can indicate to you that the efficiency savings amounted to US\$29 million. For 2008-2009, the PWB anticipates a figure of some US\$13 million in efficiency savings.

The same paragraph of the IEE Report recognizes the challenges in achieving further savings. As we continue the search for economies, including those outlined in the IEE Report, we will sometimes need to foresee some up-front investments or incur some transition costs to realise further efficiencies.

There are always opportunities for improvement. A new framework was established for the current biennium and welcomed by Members. It included setting an efficiency savings target of 1-1.5 percent per annum, which has been applied also in 2008-2009. It made proposals for an innovation fund and efficiency tax, which are considered best practice behavioural mechanisms to open up opportunities for greater efficiency gains.

The IEE Report, in paragraph 1224, acknowledges the commitment of management to executing this efficiency framework. The maintenance budget will actually make the realization of efficiency gains easier, as it has not been possible to implement these mechanisms under the present budget conditions.

Two draft Conference Resolutions are included in Section III.E, one on the Budgetary Appropriations and one on the Replenishment of the Special Reserve Account. The assessed split contributions in Euros and US dollars do not vary under different exchange rate conditions.

In conclusion, this PWB is elaborated in the overall context of the ongoing IEE, UN Reforms and implementation of approved FAO Reforms. The secretariat has faithfully followed the guidance of the Governing Bodies in preparing a maintenance budget. At the same time, the IEE has concluded after 18 months of intensive work that a Zero Real Growth budget – effectively the maintenance budget – is a minimum precondition for preparing transformational reforms. As stated in the IEE Management Response, the Director-General is committed to leading a process of transformation, based on guidance from the Governing Bodies.

The Secretariat looks forward to your deliberations and the decisions you will take in a number of critical areas. First, funding of the maintenance budget, which implies an aggregate increase of US\$120 million including US\$1.7 million for the introduction of Russian as a language of the Organization. Second, restoring the financial health of the Organization with additional funding of the After-service Medical Coverage past service liability at US\$30.9 million and replenishment of the Special Reserve Account at US\$6.4 million. Third, within the overall context of the discussion on the IEE, additional funding for IEE follow-up and possible extra-budgetary resources for early action in implementing IEE recommendations from 2008.

The collective decision of members on the Regular Programme assessments is a critical step in the process of investing in FAO to make it a global organization capable of meeting the present needs of Members now and in the future. This question is unequivocally addressed by the IEE to you, the membership, in paragraph 124 of their report. In this connection, the IEE also forewarns in paragraph 120 that most organizational change programmes fail, and that this failure is, I quote, “often found in the mismatch between available resources and over-ambitious goals”.

The Secretariat is at your service to support the process of coming to your final decision at Conference.

PRESIDENTE

Muchas gracias a usted Sr. Juneja por su presentación que como siempre ha sido clara, ha sido concisa. Señores delegados, tenemos ante nosotros la presentación del Programa de Trabajo y Presupuesto 2008-2009, ha sido visto por diferentes órganos rectores y ahora toca el turno al órgano supremo que es la Conferencia.

Voy a abrir los micrófonos para que las distinguidas delegaciones puedan hacer uso de la palabra sobre este tema. Podemos hacer preguntas, solicitar aclaraciones al secretariado, podemos hacer declaraciones generales o particulares sobre este tema. El Secretario está preparando una lista de oradores y tenemos hasta el momento tres países que desean hacer uso de la palabra: Pakistán, Estados Unidos de América e India. También vemos a Portugal. Mientras el Secretario va anotando aquéllos que desean tomar la palabra comenzamos con Pakistán, tiene usted la palabra, Sr. Khawaja.

Aamir Ashraf KHAWAJA (Pakistan)

Pakistan is taking the floor on behalf of G77 and China. It is our fervent wish to foster a consensus around the budget level for the next biennium, and G77 and China is exhibiting that it is prepared to go an extra mile to seek such a consensus. In this regard, everyone is aware of the position of G77 and China, which was stated very clearly during the Hundred and Thirty-third Council. The position as elaborated a few days ago was clear and unambiguous, that we regard the maintenance budget proposal as insufficient as the TCP level is not at the mandatory 17 percent of the total budget size as decided by the Conference in 1989.

We are pleased to announce that we had a rather difficult meeting last evening where we discussed the need to be more flexible on the budget level. It was decided after a fair bit of discussion that G77 can agree to the lower level of TCP allocation of US\$ 103 million as proposed in the maintenance budget in an effort to generate consensus.

You would appreciate that this is a big gesture on the part of G77 and China in view of the importance that the developing countries have consistently attached to TCP. This means that G77 and China has unilaterally decided to cut US\$ 47 million from its preferred budget level and has, instead, decided to support the maintenance budget. We do hope that this gesture will be recognized by everyone here as a huge effort towards consensus.

For greater clarity of our position, we should like to go into details of the maintenance budget one by one and the stances of G77 and China thereon.

The maintenance budget has three large components. The first comprises cost increases, which includes both biennialization and inflation, coming to a net increase of US\$ 101.4 million after deducting income. A large part of these cost increases, about 90 percent, is for personnel services, including salaries for approved posts, pension fund, after-service medical coverage, current service costs and other after-service benefits. The G77 and China endorses these cost increases fully as necessary and vital for the Organization to continue to function at par with the budgetary provisions for 2006-2007.

We do also note, and endorse, that these cost increases have already been reduced by applying a lapse factor of 2.51 percent for Professional and 1.65 percent for General Service staff costs.

The second component of the maintenance budget is the incremental requirements reported to, or endorsed by, the governing bodies during 2006-2007 for implementation during the next biennium. The total incremental requirement during 2008-2009 is estimated at US\$ 18.7 million. This includes capital expenditures on projects, such as adoption of IPSUS, HRMS etc., transition costs and adoption of Russian as an FAO language. These cost increases are necessary and fully warranted. The G77 and China, therefore, has no hesitation in approving this.

The third component of the maintenance budget is incremental requirements for addressing the financial health of the Organization. The G77 and China is willing to go along with the minimum

incremental proposal of US\$ 37.3 million comprising the incremental funding of after-service medical coverage, past service liability and one-time minimum replenishment of the Special Reserve Account. We hope that this minimalist approach will be acceptable to all under the circumstances as more ambitious proposals of one-time replenishment of Working Capital Fund, Special Reserve Account and funding the Terminal Payment Fund, Past Service Liability with instalments over three biennia were under consideration and these should be brought back on the table in future. All of the above boils down to incremental requirements of US\$ 157.4 million.

It is also estimated that miscellaneous income will go down from estimated US\$ 6 million in 2006-2007 to estimated US\$ 1 million in 2008-2009, resulting in a reduced miscellaneous income of US\$ 5 million. This results in a total increase in assessments in 2008-2009 as US\$ 162.4 million or a percentage increase of 21 percent in assessed contributions.

We note and endorse that the net assessed contribution is proposed to be broken down under split assessment into US\$ 449.378 million and €365.782 million, which are respectively 47.5 percent and 52.5 percent of the assessed contributions.

For implementation of Programme of Work an additional assessed contribution of US\$ 45 million to fund amortization of ASMC with a split assessment of US\$ 18 million, which is 40 percent and €19.85 million, which is 60 percent.

Lastly, we recall that there is a need to present a separate budget line of up to US\$ 4.8 million to fund immediate action plan, which is over and above the maintenance budget as already endorsed by membership by consensus and would be reflected in the Conference Resolution on the IEE.

Finally, we endorse a separate Conference Resolution for replenishment of the Special Reserve Account by US\$ 6.4 million as something essential and has already been stated.

PRESIDENTE

Muchas gracias a usted, representante de Pakistán, quien ha tomado la palabra a nombre del Grupo de los 77 y China. Voy a leer la lista de delegados que han solicitado el uso de la palabra. Son, en el orden en que la voy a conceder, Estados Unidos de América, India, Portugal, Japón, Australia, Nueva Zelanda, México y Afganistán. Por supuesto, todos aquéllos que deseen hacer uso de la palabra pueden indicarlo a la mesa y el Secretario o yo mismo estaremos anotando su intención.

Quería también avisar que le he solicitado al Sr. Juneja que ponga su presentación a disposición de los Estados Miembros, dado que podría servirnos teniéndola impresa como referencia en nuestro debate. Tiene la palabra la delegación de los Estados Unidos de América.

Gerald C. ANDERSON (United States of America)

Thank you for the opportunity to speak on the Programme of Work and Budget. This year, in particular, it is impossible to discuss the Programme of Work and Budget in isolation since we are all working together to implement the Independent External Evaluation of FAO.

The United States of America supports a strong and effective FAO. The world needs FAO, and the United States of America fully supports the Organization and its mission. We believe the IEE provides a unique opportunity to transform FAO into a more relevant, focussed and effective organization.

I would like to commend the Programme and Budget Office for the budget presentation that integrates assessed and voluntary contributions. The PWB that is before us is now much more transparent. It will enable all of us to make a fully informed decision on the appropriate budget level for FAO, given our shared objective of enabling FAO to transform into an organization ready to meet the global challenges of the 21st century.

An essential element of the reform process is to carefully balance the costs and benefits of reform. Our goal for the 2008-2009 budget is to maintain all currently staffed positions, keep all existing

programmes and keep existing funding for the TCP at the level outlined in the maintenance budget.

We want to reiterate that staff members are crucial to FAO, especially since FAO is a knowledge organization. We need to maintain important programmes and the brainpower of the Organization to deliver those programmes. However, the PWB document before us, in the view of the United States of America, includes cost increases that go well beyond these minimum goals and results in an overall proposed cost increase that is far beyond the norm for the United Nations System. We believe that it is essential to identify a budget level that truly represents maintenance of the essential work of FAO. Such a budget would postpone expansion of staff hiring beyond the number of currently staffed positions, postpone investment and new financial management systems and postpone implementation of After-Service Medical Costs until we complete the one year process of preparing a comprehensive response to the recommendations of the IEE.

With regard to the proposed replenishment of the Special Reserve Account, we do not support this resolution. As many of you will recall, the United States of America opposed the use of the Special Reserve Account to cover staff expenses related to the General Service increase. Since the Special Reserve Account was established for other purposes we, therefore, do not consider it appropriate to replenish the resources of the Special Reserve Account.

The United States of America believe that FAO can achieve our common objectives fairly and efficiently at a budget level well below that of the maintenance budget that has been proposed. We believe that the budget level should provide an incentive to reform with growth over time. We also look forward to a flexible and innovative resource mobilization strategy that covers the full range of programming.

Ramalingam PARASURANAM (India)

Pakistan has already spoken and, in fact, dealt at length with the various issues in front of us as far as the budget goes on behalf of G77 and China. India lends support to the statement on behalf of the Asia Group of G77.

We also note the positive features in the statement made by the United States of America who were the previous speakers, and we also note that some important decisions are in the offing in the next one year as part of the IEE exercise. At the same time, we also recognize that FAO as an organization needs to go along, even as we debate and decide on the recommendations of IEE.

It is in this spirit that the G77 and China Group have engaged in extensive discussions which have culminated in the statement made by Pakistan.

I would, therefore, like to recommend to Members here that we go ahead with the maintenance budget, taking into account the elements which the delegate of Pakistan has already put before you in detail.

In short, we lend support to the statement and hope that the elements contained therein will be acceptable to all of us.

PRESIDENTE

Gracias Señor representante de Sudán. Usted ha hablado según nos indicó a nombre del Grupo Asiático. A continuación el distinguido delegado de Portugal.

Antonio DUARTE DE ALMEIDA PINHO (Portugal)

There was a decision taken by the June 2007 Council to take the recommendations of the IEE on board in the PWB at a later state. We have now the Secretariat's proposal for a maintenance budget for next biennium. According to the Secretariat the basis for this maintenance budget is so-called zero real growth. Do you support, in principle, a maintenance budget, but we talk about a proposal that represents an increase in the budget level of 15.7 percent, that in our view needs to be studied carefully. I will elaborate on that later.

For many FAO Members, including many developing countries, that means a huge increase in their assessments to the order of 30 percent and in some cases more than that. Do you expect a lower budget level in the PWB for next biennium, then we should expect to reach in next biennium a substantial level of efficiency savings.

In addition, considering the ongoing process of the IEE, we deem it necessary to include a review mechanism in the budget resolution enabling us to readjust the PWB, including the budget level at the special Conference next year. In our view, the proposed cost increases related to the improvement of the so-called financial health of the Organization could wait for further discussion based on a proposal from the Secretariat for a more gradual approach to the necessity for improvement of the financial health during a much longer time period, taking also into account the savings obtained from the reform process.

It would be too late to have now a revised PWB for the next biennium, but we feel that at least it is quite possible to pursue, in the short-term, savings that take into account the increased budget amount and to promote quick wins based on what is referred to in the IEE final report that can be easily identified on very different areas of action.

In this framework the European Union proposes that during the special session of the next Conference, the Secretariat present a revised PWB formulated according to the immediate action plan that we are going to discuss and agree, and also its financial implications, being estimated savings or additional costs. That revised PWB could also consider some adjustments in the locations to specific budget lines that can take into account, as much as possible, the effective priority settings related to IAED and to the draft strategic framework that is going to be discussed and presented to the referred Special Session of the Conference. I should add, that the common position of the 27 Member States of the European Union is that we should go further in order to identify really what we mean by maintaining this budget. Everybody in this room agrees with that, every delegation, but our point is that we should discuss what a maintenance budget is really. For us a maintenance budget really means zero real growth, but for us, it is not a maintenance budget, nor a real zero growth when we go behind the maintenance level of the priorities of the Organization.

We are prepared to discuss, mainly for next year, 2008, and during a year that we are preparing the reform and we are going to prepare new settings and priorities for this Organization we really want to freeze the activities to the same level. It is the reason why, besides further increases in savings, we think that there are more savings that should be identified and found. In our view, it is not adequate to maintain the same level of activity of this Organization to admit that we are going to increase the staff a lot. We feel that we should freeze the staffing next year and then in the next Conference, according with the priorities that we should identify and the immediate action plan, in the following years and namely in 2009, we should be better prepared to admit more personnel according to our decisions in next Conference; but not in the next year.

Real growth budget and the maintenance budget are really to maintain the same level of real activities that we have; nothing more, nothing less.

PRESIDENTE

Muchas gracias Señor Pinho, Portugal ha hablado a nombre de la Unión Europea y sus Estados Miembros. En este momento me gustaría solicitar a todos los distinguidos delegados que han hecho uso y que harán uso de la palabra, que en la medida de lo posible faciliten sus intervenciones por escrito de manera que el trabajo de nuestro querido Embajador Malek en el Comité de Redacción, pueda ser facilitado y simplificado. Continuamos entonces con nuestra lista de oradores y a continuación el Japón por favor.

Kazuyuki TAKEUCHI (Japan)

I thank the Secretariat for the concise description of the draft project to be discussed. I pay high respect to the action and decision made by G77 and China, which was just introduced by the distinguished delegate of Pakistan. I do not specifically repeat the importance of the strong

discipline in budget for every UN organization, and I think effective management of the Organization, which we repeatedly reasserted. I just mention that as for PWB, we repeat that it is very unrealistic to assume the growth rate more than maintenance budget. We highly regard the principle stated by the IEE, which is reform with growth, however, we all know that best prescription for everything is limiting it in the early stage. I believe growth without curing the disease is simply a growth of the disease. Curing disease before considering growth, I think that is the true meaning of "no growth without reform". This means that simply maintenance is not sufficient.

Ms Judy BARFIELD (Australia)

With regard to the overall budget level for the biennium, Australia has considered the challenges facing the Organization, including the need for ongoing reform and implications of the Independent External Evaluation. We also note both the proposed maintenance budget put forward in the PWB 2008-2009 as well as the advice of the IEE, that is zero real growth budget for the 2008-2009 biennium, would be preferable. However, we believe that it would be important to get verification that changes are being made as a result of any immediate implementation of the Independent External Evaluation with regard to areas within management's responsibility. We think a realistic approach is to see measurable improvements while maintaining stability of FAO's operations, including current staffing levels, programmes and the Technical Cooperation Programme. We therefore believe that a reasonable starting point or base level is the actual expenditure in the current biennium 2006-2007. We consider that current unfilled positions need not be filled until we have finalized the immediate action plan in late 2008. We consider there should be additional efficiency savings that can be achieved. To facilitate an immediate response to the Independent External Evaluation, Australia supports the proposal to allocate resources from the regular budget towards the development of the immediate action plan and a new corporate strategic framework. Australia agrees that these funds should be sourced within the agreed budget level for 2008-2009. While Australia concurs that the costs associated with the reform of the FAO should be borne as a matter of principle by the whole membership from assessed contributions, we nevertheless, to facilitate the timely implementation of reforms, also support, in principle, the creation of a special fund to which Members may contribute on a voluntary basis. Voluntary contributions could be used to fund early actions identified by management in Table 2, that we have all seen. Consistent with a stability budget, we consider it would be premature to fund incremental increases, including capital expenditure, transition costs, and introduction of Russian language, as well as so-called measures to tackle the financial health of FAO, at this stage. We also believe that it would be premature to agree to replenish the Special Reserve Account at this stage.

Ms Adele BRYANT (New Zealand)

New Zealand thanks the Secretariat for its Programme of Work and Budget and welcomes, in particular, the increased clarity surrounding extra-budgetary resources. We do although agree with others that consider that the maintenance budget which it proposes would fund more than the current operations of FAO. Under the resolution exchange rates, the proposed operational budget represents around 21 to 23 percent increase over the current biennia. For many countries, and New Zealand as one, the increase once split contributions are calculated, approaches 30 percent. It is probably no surprise then, that New Zealand is thinking of a smaller increase. This is not just because we face a high increase, but it is also in the wider context of FAO renewal. New Zealand sees the budget situation of FAO as a transition, while Members and the Secretariat make progress on IEE implementation and development of the strategic framework which will indicate the areas where FAO resources should be deployed and strengthened over the longer term. Once the results of this work over the coming year are known, or the coming years are known, then we believe the Programme of Work and Budget should be further reviewed and adjusted. The proposed special session of Conference in 2008 provides the first opportunity. To do this work, New Zealand notes that additional funding is required to kick-start the IAP process and some key early work, which falls within the Director-General's authority, such as the root-and-branch review of the human resources framework. In this regard, New Zealand supports some additional

funding allocated within the Programme of Work and Budget. In the meantime, New Zealand is seeking a far lower budget level, which meets current needs, funds the jobs which people currently do, and protects in pretext, the TCP; a budget which provides the stable base upon which well considered and more strategic operations can build. Accordingly, New Zealand does not support the resolution as it is currently drafted.

PRESIDENTE

Gracias a usted. Voy a actualizar la lista de delegados que han solicitado el uso de la palabra. En mi lista aparecen México, Afganistán, Brasil, Zimbabwe, Egipto, Filipinas, Indonesia, Canadá. Así que le concedo la palabra a México por favor.

Jorge Eduardo CHEN CHARPENTIER (México)

El Grupo de América Latina y del Caribe me ha pedido que reitere el apoyo a la declaración del distinguido Representante de Pakistán. Estamos convencidos de que el presupuesto para los años 2008-2009 deber ser el que sea denominado presupuesto de mantenimiento. Un presupuesto de crecimiento cero sería lo mínimo necesario para poder iniciar el complejo proceso de reforma que tenemos en frente de nosotros. Muchas gracias.

Abdul Razak AYAZI (Afghanistan)

First, we support the statement made by the distinguished representative of Pakistan on behalf of G77. We support the conserving of the maintenance budget because the potential actions based on the IEE findings, conclusions and recommendations are still to be decided on the outcome of the immediate action plan, as recommended in the IEE Report. In comparison to 2006-2007, there will be an increase in membership assessment of US\$ 162.4 million in 2008-2009, which amounts to an increase of 21 percent. This percentage change in net appropriation for the maintenance budget is 15.7 percent. For us, the maintenance budget is the zero real growth budget. Some members do consider a 25 percent jump in the budget for 2008-2009 as unprecedented. We respect their position, especially those countries which are the major contributors to the budget of FAO. However, in view of the continuous fall in the real value of the FAO budget since 1994, the need to restore the financial health of the Organization, the enhancement of the decentralization process, the new global challenges facing the Organization, such as climate change, bioenergy, water scarcity and the spread of transboundary diseases of plants and animals, we are of the opinion that a 21 percent increase in net appropriation is well-grounded and we support its approval in the form of a budget resolution. We also support that the US\$4.8 million envisaged for the IAP will also be added to the budget of 2008-2009.

José Antonio MARCONDES DE CARVALHO (Brazil)

En primer lugar quisiera comprometer el apoyo total de mi delegación a las intervenciones hechas por el delegado de Pakistán en nombre del G-77 y China, al igual que la intervención del Embajador de México en nombre del GRULAC.

Además del apoyo de mi delegación a esas intervenciones quisiera destacar algunos puntos, más allá de las intervenciones hechas, la delegación de Brasil, al igual que lo manifestado por Pakistán, reconoce que el nivel de los programas de cooperación técnica está por debajo de los niveles determinados por resoluciones del órgano máximo de esta institución.

También como otros oradores que me han presidido en el uso de la palabra, reconocemos que estamos en un proceso de fortalecimiento y renovación de la FAO. Lo que preocupa a la delegación de Brasil es de empezar un proceso marcado por el inmovilismo de la Organización. A juicio de mi delegación, inmovilizar la Organización no es coherente con el objetivo compartido de fortalecerla y renovarla.

El presupuesto presentado, en el sentido de mantener el poder adquisitivo y la reposición parcial, repito: reposición apenas parcial de la salud financiera de la Organización, es el mínimo que podemos aceptar dadas las responsabilidades colectivas que tenemos como Miembros de esta Organización. Mínima y responsable.

Otra preocupación que tiene mi delegación es que escuchando muy atentamente las intervenciones anteriores de esta mañana y empezamos a escuchar las interpretaciones sobre qué es lo que debería ser un presupuesto de mantenimiento. Un presupuesto de mantenimiento que disminuya, afecte negativamente la Organización, la inmovilice, no es un presupuesto en aras de avanzar el proceso de fortalecimiento y de comenzar un ejercicio serio y efectivo para una mejor Organización.

Mi delegación manifiesta su más vivo interés en tenernos un presupuesto que avance, no uno que retroceda y una Organización que pueda mejorar y no debilitarse, para que la membresía pueda contar con una organización relevante y no con una organización que no atienda las aspiraciones y el compromiso político que todos hemos manifestado con su futuro.

PRESIDENTE

Muchas gracias a usted, Embajador Marcondes. A continuación escucharemos a la distinguida representación de Zimbabwe.

En vista de que la delegación de Zimbabwe ha debido ausentarse de la Sala, continuaremos con la lista de oradores y aprovecho para refrescar la memoria. Tenemos a Egipto, Filipinas, Indonesia, Canadá, Sri Lanka, Cuba y Sudáfrica. Continuamos con Egipto, por favor.

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

On behalf of the Near East Group, I should like to thank the Secretariat for having prepared the draft Programme of Work and Budget for the year 2008-2009. On behalf of the Near East Group, we should like to express our support for the statement made by Pakistan on behalf of the of G-77 and China. We do understand the reasons behind the preparation of the maintenance budget as clarified by the Secretariat in seminars convened in order to deal with this issue. I should like to recall the recommendations of the IEE, namely the need for the Organization to restore its financial health for the coming period, and that is why we believe that the budget as submitted shall secure this objective and will help contribute to the restoration of the financial health of this Organization. We would like to commit ourselves to such a goal, namely a budget which will help the Organization meet the expectations of the Member Nations and lend them the necessary support.

Emmanuel Elmo R. FERNANDEZ (Philippines)

Philippines wishes to reiterate its full and total support for the position of the G77 and China on the budget and the IEE, as read for us by the Representative of Pakistan.

Having said that, The Philippines also wishes to express that while it has its own reservations regarding the methodology and the resulting findings and recommendations of the IEE, it nevertheless commends the FAO Conference for commissioning the conduct of the IEE. Growth, whether it be of individuals or of large scale organizations such as FAO, requires a periodic examination where one is, where one has been and where one is going. Through the IEE the FAO Conference has done precisely that. In The Philippines view, the FAO Conference deserves to be recommended, if only for that.

However, Philippines also wishes to express, that while there is a lot to commend about the conduct of a periodic external evaluation, there is even more reason to recommend the conduct of an ongoing internal self-evaluation on the part of FAO. There are mechanisms currently in place for that purpose. The Office of the Inspector General is one such mechanism. However, Philippines believes that such mechanisms need to be fortified. For that reason, Philippines wishes to keep alive the issue of Members' access to the reports of the Inspector General. Philippines believe that a more direct and substantial engagement of Member Nations with the work of the Office of the Inspector General would go a long way towards enhancing the self-assessment capabilities of FAO.

Adiasnto SINAMBELA (Indonesia)

At the outset, my delegation would like to associate ourselves with the statement and views expressed by the spokesperson of the G77 and China on this important agenda item.

With regard to the issue we are discussing before us, Indonesia is of the view that it finds difficulties to start a reform process which cannot be constructed successfully. For this reason, Indonesia can only support the Conference resolutions on the way forward for the IEE, with a budget level as proposed in the maintenance budget for FAO in 2008-2009.

My delegation wishes also to reiterate its strong views, on the need for continued attention to efficiency savings which could assist in lowering absolute resource requirements under the regular budget.

James MELANSON (Canada)

As observed in the introduction by the Secretariat, we are approaching the time where the Programme of Work and Budget and the Independent External Evaluation intersect. I think like everyone before me, Canada is committed to a renewed and strengthened FAO.

We recognize that a year of transition will be required to plan the reforms and new strategic orientation of the Organization. During that year the Organization will need the space and stability to undertake that reform planning process that has been described the Secretariat as a "maintenance budget". That maintenance budget has a number of valid underlying principles, essentially maintaining current levels of programme exercised through current levels of staff, as well as the current level of the Technical Cooperation Programme. As observed by others before me, there are some elements in the proposed Programme of Work and Budget which may go beyond these principles. They need to be examined and we need to arrive at another decision point in 2008, where we can take decisions on revisions to a Programme of Work and Budget but also on reform and strategic framework considerations.

PRESIDENTE

Muchas gracias a usted Sr. Melanson. El Sr. Melanson y el Dr. Ayazi de Afganistán, que habló hace unos minutos, son ambos vicepresidentes de esta Comisión. A continuación tiene la palabra la delegación de Sri Lanka.

Ms Saranya Hasanthi Urugodawatte DISSANAYAKE (Sri Lanka)

Sri Lanka, in line with G77 and China's stance, sincerely wants to support and be a part of the meaningful reforms of FAO, to address the world's hunger and poverty within its mandate. In this context, Sri Lanka strongly believes that the realistic way forward with regard to FAO reforms is an agreed budget level as proposed in the maintenance budget for FAO for the 2008-2009 biennium.

PRESIDENTE

Muchas gracias, Sri Lanka, por su intervención. En este momento desearía, dado que la Embajadora Muchada se ha reintegrado a la Comisión, conceder la palabra a la delegación de Zimbabwe.

Ms Mary Margaret MUCHADA (Zimbabwe)

I take the floor on behalf of Africa. Africa wants to see a strong FAO that can deliver to its membership. At the same time, we appreciate that we are considering this budget against the background of the IEE, which has completed its work. In so doing, we have to plan for the next stage, to incorporate the work of the IEE. We would like to recommend that the Conference ensures that FAO is strengthened both in terms of financial and human resources to be able to undertake this assignment.

The membership has worked towards this objective throughout the last year. We conferred with the Secretariat and today we have a proposal, the "maintenance budget" which has been drafted,

taking into consideration the proposals that were coming from the Member Nations. We, therefore, see it fit that we should now stand ready to play our part and support the maintenance budget, as presented to us. I understand that the G77 has made a statement in this regard and other Regional Chairs from the G77 Regions have made similar statements. Africa too, wishes to associate itself with the statement which was tabled by the Permanent Representative for Pakistan, on behalf of G77, because we realize it truly articulates some of the core issues that we considered when we were negotiating this budget.

The world needs a strong FAO, and to implement the outcome of the IEE, we do need to prepare for this, and we believe that a maintenance budget would create a strong launching pad for this exercise. We realize that FAO in the past biennium had to go out borrowing, and it even had to borrow against the delivery of its programmes. We can say so with confidence, it had to borrow against TCP delivery and many times we hear people saying "the TCP programme does not deliver". It does not deliver because we, the membership, do not deliver. When the Organization does not have any resources, it borrows from some of its programmes. But we have just having heard what the IEE has put on the table, that it envisages an Organization that can transform and that can grow at the same time. Transformation and growth go hand in hand with the resourcing.

My delegation therefore strongly supports the re-capitalization of the Special Reserve Account because we know that if the Special Reserve Account and the Working Capital Fund are not resourced, FAO has nowhere else to go but to borrow from programmes, and we in the developing world, do need these programmes to help us translate the knowledge we get here. Unless these programmes are performing, we cannot benefit from them so we would like to recommend that the Special Reserve Accounts of the Organization be resourced.

As regards the knowledge situation, you will recall my intervention during the Council. We want this to be a knowledge Organization that is a cut above the rest, but we do not want to resource the posts that are vacant and can deliver this knowledge. We have heard sentiments to the effect that the core competencies of FAO are weak. We can only strengthen the core competencies of FAO if we can deliver the resources that can enable FAO to hire competent staff.

Most of the issues have been clearly articulated in the G77 statement, but I just thought I should underscore some of the areas that I needed to add my weight to.

PRESIDENTE

Muchas gracias Embajadora Muchada quien ha hablado desde el asiento de Zimbabwe pero también en representación del grupo Regional africano. A continuación Cuba, por favor.

José QUINTERO GÓMEZ (Cuba)

En primer lugar nuestra delegación desea apoyar totalmente las declaraciones realizadas por Pakistán en nombre del G77 más China, y la declaración realizada por México en nombre de los integrantes del GRULAC, deseamos también apoyar la declaración realizada por la delegación de Brasil y los importantes elementos adicionales pronunciados por esta.

Cuba considera que un presupuesto de mantenimiento es esencial para poder continuar trabajando en mejorar la eficiencia de la Organización para que ésta responda mejor a las necesidades de los Miembros. Los que pasan hambre no pueden esperar un año más para que la FAO pueda continuar ocupándose y de apoyarlos en sus esperanzas de salir de esa situación. El proceso de reforma que hemos emprendido es fundamental en este sentido, solo con una FAO fuerte y perfeccionada podemos continuar adelante con nuestro trabajo. Muchas gracias.

Ms Vangile TITI (South Africa)

South Africa feels the maintenance budget is consistent with the Zero Real budget, and thus aligns itself with the statement of G77 and China made by the distinguished delegate of Pakistan and also the statement made by Ambassador Muchada.

South Africa is of the view that maintaining stability in the Organization is key to creating a congestive environment because the reform has been made to pay attention to the restoration of the financial health of the Organization.

South Africa also supports the addition of US\$4.8 million to the budget to fund the Immediate Action Plan.

Hu YAN'AN (People's Republic of China) (Original language Chinese)

The Chinese delegation has noted that the TCP, as it was described at the Hundred and Thirty-Second Session of Council, this year has registered considerable progress, therefore China will express its gratitude for the efforts undertaken by the FAO Secretariat in this respect. Furthermore, China supports what was said by Pakistan, speaking on behalf of the G77 and China.

We welcome this suggestion of a maintenance budget which has been put forward by FAO. The People's Republic of China believes that this solution is better geared to actual contingencies. This takes into account the need, such as the reformation of the UN and the IEE because this will have a great impact on the work of FAO and FAO's budget, naturally. Nonetheless, as things stand at present, we have not been able to quantify these impacts and the doubts and lack of information. This will be proposed shortly.

FAO should have the resources it requires in order to maintain the present Programme of Work and in order to ensure stability and the continuation of the work it is engaged in. My third point would be that extra-budgetary resources are being used and more and more of FAO's programmes are being financed by extra-budgetary funds. At present, the amount of such extra-budgetary resources is almost equal to the regular budget.

China welcomes the strategy for claiming funds for the Programme of Work and Budget but China stresses the point that extra-budgetary resources should not be used to fulfill FAO's role and its mission in the world. The first point we would make is that China also noted that the Secretariat has adopted measures in order to increase savings and efficiencies. We trust that FAO will be able to take further measures to increase such efficiency.

This point concerns the IEE. If all Members are to participate in the IEE, China would support an increase of US\$4.8 million on the present budget level in order to enable us to fulfill all the terms of Immediate Plan of Action.

Finally, in concluding, China wishes to reiterate its view that even in the case of a maintenance budget, if this maintenance budget is supported and adopted by the Conference, China's contribution or assessment would increase by 67 percent. We know that this is a very large increase for China's financial commitments, but in order to ensure we have a strong and better FAO, and especially in order to ensure China's participation in the IEE, China is saying that it will be in favour and support the maintenance budget.

PRESIDENTE

Gracias a usted, Señor delegado, por su intervención que cubre toda una serie de aspectos muy importantes.

Tengo solo cuatro países en la lista de oradores, son Uganda, Etiopía, Nigeria y Ecuador. Todos aquellos que deseen hacer uso de la palabra solo tienen que indicarlo a esta mesa. Tiene la palabra Uganda por favor.

Robert SABIITI (Uganda)

The Ugandan delegation aligns itself with the statement of the distinguished delegate of Pakistan who took the floor on behalf of the G77 and China, and of all those Members of the G77 who took the floor before me, and Zimbabwe, on behalf of the Africa Group. We may recall that right from the inception stage of the IEE, governors strongly recommended that the DG's reforms and the IEE should be mutually-reinforcing. The understanding of this was that the Organization's

ongoing activities would not be disrupted by either the reforms or the IEE evaluation activities. My delegation has always been puzzled why every governing body meeting always gives more assignments and responsibilities to the Secretariat while at the same time, providing less resources. No wonder, that special programmes like TCPs, Special Programme for Food Security, South to South Cooperation and Telefood most beneficial for the developing countries have progressively faced serious resource limitations. In view of the above, my delegation supports the maintenance budget as proposed by the DG in the Programme of Work and Budget 2008-2009, to enable the Organization to deliver better. We also support the creation of a separate budget at the level of US\$ 4.8 million to assist in taking the process of IEE forward. With those comments, I thank you.

Abreha Ghebrai ASEFFA (Ethiopia)

My delegation supports the statement made by the distinguished delegate of Pakistan on behalf of G77 and China and also the statement made by Zimbabwe on behalf of Africa. The TCP is the mechanism through which FAO supports the developing countries. Although its budget level is not as it ought to be, we support the maintenance budget understood to be equal to the Zero Real Growth.

Yaya Adisa Olaitan CLANIRAN (Nigeria)

On behalf of the Federal Republic of Nigeria, I want to say that we fully support the statement read out by the spokesperson of G77 and China, Ambassador of Pakistan, and the reinforcement by both the Ambassador of Zimbabwe and that of North Africa. G77 has considered and negotiated a lot of these issues as it affects the developing countries and as it affects Africa, in particular. My delegation fully supports and appreciates the effort of the Secretariat in the amount of intensive work that has gone into developing this 2008-2009 maintenance budget. My delegation fully supports this maintenance budget. And, as far as we could see, the effort by the IEE has been wonderful. It has brought out both the strengths and the weaknesses of the FAO and made some recommendations that if membership would truly and sincerely play their part, we would all get the FAO that we want, an FAO that will be able to face the challenges of the twenty-first century. Imagine issues are overriding what seems to have been overcome before; and that definitely creates a new scenario of work and determination to get the world going. The TCP and the SPFS, are so important to the developing countries that no effort should be spared in making sure that the resources required are put in place and used for the purpose of them being put there. My delegation once again wants to say that we believe that Zero Real Growth is what can make us get the FAO that we all desire. My delegation does not support a one-year budget, for it will create unnecessary stress and problems for the administration.

PRESIDENTE

Gracias a usted señor Claniran, usted, yo y otros colegas que han hecho uso de la palabra que están aquí en esta sala y otros que no han hablado, hemos tratado este tema en gran profundidad, en nuestras reuniones del Comité del Programa a lo largo del bienio del año que está por concluir, así que tomo sus comentarios, tomo nota de ellos y pido a la delegación de Ecuador que nos haga saber sus comentarios, por favor.

José SALGADO SALGADO RIVADENEIRA (Ecuador)

De los comentarios que la delegación de Ecuador ha escuchado y por parte también del GRULAC, principalmente apoya todo lo dicho por el delegado de México, por la delegación de Brasil y en general también apoyamos las declaraciones efectuadas por el Embajador de Pakistán en nombre del G77 más China.

Creemos que sea necesario que estas reformas sigan y que se continúe de esta manera para ayudar al presupuesto y también que se logre este presupuesto de mantenimiento de la FAO.

PRESIDENTE

Muchas gracias a usted, Sr. representante de Ecuador. Con la intervención de Ecuador hemos llegado al fin de la lista de oradores. En este momento pediría saber si algún otro delegado desea hacer uso de la palabra sobre el tema que tenemos sobre la mesa, que es el Programa de Trabajo y Presupuesto 2008-2009.

La República de Corea, por favor.

Chang-hyun KIM (Republic of Korea)

The Korean delegation understands that this biennium would be high time for FAO to be able to get recharged to tackle the challenges of the twenty-first century. We support the UN reform and IEE recommendation. The Korean delegation feels that we can take action in a more realistic manner with the level of the next biennium budget.

Ms Amal KABEER (Sudan) (Original language Arabic)

We indeed associate ourselves with the maintenance budget notion advanced by the Secretariat since the maintenance budget sets the equilibrium needed by the Organization and allow it to work in developing countries as well as all the member states to strike harmonization between target set and resources. We would like capacity-building to be enhanced in order to improve the level of skills of farmers and rural populations.

PRESIDENTE

Muchas gracias por su comentario. En caso de no haber otras intervenciones y a pesar de que no ha habido, según mis notas, alguna pregunta directamente para el Sr. Juneja o para la administración, me gustaría cederle la palabra para saber si él tiene algo que decirnos. Tengo entendido que, y el Sr. Juneja podrá confirmarlo, su presentación está siendo reproducida, será distribuida en el idioma original en el cual fue preparada, que es el inglés.

Hemos solicitado también, aunque esto no será automático obviamente, que dicha presentación sea traducida en las distintas lenguas oficiales de la Organización, con el objeto de que todos los delegados podamos tener la mano y que ella pueda informar nuestra continuada discusión sobre este tema en el día de hoy y en los días por venir, hasta que lleguemos a un consenso sobre esta materia. Sr. Juneja, por favor.

Manoj JUNEJA (Director, Programme of Work and Budget, PBE)

There were a number of comments regarding the maintenance budget and, therefore, I should like to clarify at the outset the definition that has been put forward in the PWB documentation since the summary Programme of Work and Budget was produced in April of this year. The philosophy that is followed in presenting the maintenance budget in the PWB is to maintain the planned programmes, as agreed by the governing bodies for 2006 and 2007 and make any marginal adjustments to those planned activities indicated by the governing bodies during the current biennium. So, that is the definition of the maintenance budget in the documentation that has been put forward. The maintenance budget does not, therefore, take into account the activities that have actually been implemented in 2006-2007. That said, however, of course the Secretariat is obliged to aim to deliver all planned activities. Therefore, the discrepancy between planned activities for 2006 and 2007 and the current operations in 2006-2007 is not all that divergent. I should share with you the fact that this was also an issue that was raised by the Independent External Evaluation when they had some consultations with me earlier this year about the maintenance budget. And, the conclusion they reached was that the actual implementation in 2006 and 2007, entailed a sub-optimal process of decision-making in order to make certain adjustments for under-budgeted activities and that sub-optimal process of decision-making that resulted in some reductions in planned activities, would not be a good foundation for starting in a maintenance budget, the level of operations from 1 January 2008.

Having said this, I appreciate the support from all Members to maintain existing programmes. I think this provides a useful position, a useful starting point that can allow the membership to move forward in arriving at a budget resolution. I would just like to provide in that connection some facts. The first is that the reporting to the governing bodies of FAO's current Regular Programme operations has foreseen full spending of the Regular Programme appropriation in 2006 and 2007. This information is successively provided in annual reports on budgetary performance to the Programme and Finance Committees and two sessions of the Committees and two sessions of the Council have considered this report which indicates full spending of the Regular Programme appropriation. Secondly, as I indicated earlier, some areas have been reduced below the planned levels in 2006-2007 to deal with under-budgeted costs. These under-budgeted costs, Members may recall, are most notably due to the fact that the actual unit cost of staff in 2006-2007 are higher than the budgeted levels and have resulted in a staff cost variance which is estimated at US\$ 19 million. So, there have been some adjustments to deal with these unbudgeted costs. The total level of imposed adjustments, imposed reductions that have been incurred in 2006-2007, and these have been reported most recently in the annual report on budgetary performance in document FC/118/2, amount to US\$ 23.5 million over the biennium. These imposed reductions, therefore, reflecting current operations are approximately US\$ 11.7 million per annum less than the planned levels. The procedure that is used, in order to deal with these changes from plans, is to reduce allotments that are given to FAO managers. The Finance and Programme Committees were informed earlier this year that these allotment reductions were ranging from 0.3 percent to 5.2 percent against the budgeted level, depending on the priority attached to the programmes. Now, of course, these allotment reductions resulted in negative consequences for those programmes and those negative consequences have been reported, in particular, to the Programme Committee.

PRESIDENTE

Muchas gracias a usted Sr. Juneja por proveer clarificación sobre algunos conceptos que los Estados Miembros no tenemos del todo claros y que es importante tener bien claro para informar nuestros debates. Ha solicitado la palabra el Sr. Pinho de Portugal, por favor.

Antonio DUARTE DE ALMEIDA PINHO (Portugal)

I feel the necessity to say something after the explanation by Mr Juneja. Really what is discussed here, and now we begin to discuss after some hours, is that our meaning of maintenance budget is really different. Everyone agrees, as I have said before, that we should have a maintenance budget, a zero growth budget, but we are talking about the different concepts. I do not know if it is related to the backgrounds of each one but for European Member States, and we discussed this a lot, usually what we mean by a maintenance and zero real growth budget - and it is written somewhere in the minutes but I cannot look it up - one thing is to maintain the same level of operations, this is one thing, and this for us is a maintenance budget. Another quite different thing is to maintain the same level of planned actions.

If someone has a salary that is really 50 but it should be 100 because it was planned to be 100, if you want to maintain it the following year at the same level of purchasing power, it should be 50 plus inflation, not the 100 that was planned, 100 and something because of inflation. This is our different concept.

So we all agree, nobody in the European Union wants to make any kind of cuts. TCP has the same level of staff, but I do not understand how different delegations mean about 10 or 20 percent increase in staff in one year, when we are discussing a reform, and you are looking to the priorities so that in one year's time we can decide and agree on that, and this is our main objective here. We cannot understand why in 2008, and I may distinguish 2008-2009 because after 2009 inclusive, we are prepared to discuss a higher level of budget, but for 2008 our current position is to stay at the same level of operations without anything else; nothing more but nothing else, even on the staff level. If there are people that are going to retire or leave they should be compensated to maintain the same level of operations of this Organization, but not to increase 10 percent or 15 percent of the staff of the Organization in one year, when we are discussing priorities and budget

level and maintenance level. The same level of operations for us is not really a maintenance budget. It is something different that we can discuss and needs discussing.

PRESIDENTE

Muchas gracias Sr. Pinho de Portugal, hablando a nombre de la Unión Europea y sus Estados Miembros. Este es obviamente un debate que debemos tener porque si no estamos todos en la misma página, literalmente, sabiendo exactamente a qué se refiere cada concepto, pues entonces éste podría ser un pequeño, no obstáculo, pero podría quizás posponer nuestra llegada a un consenso y como sabemos tenemos que llegar a un consenso antes del fin de esta semana pues entonces mientras más pronto tengamos todos estos conceptos bien claros en nuestras cabezas pues entonces mejor será en la ruta ese consenso.

Sr. Juneja, le gustaría continuar su esfuerzo de clarificación, por favor?

Manoj JUNEJA (Director, Programme of Work and Budget, PBE)

By way of clarification, I would like to say that there is by no means a correlation between maintaining existing programmes and realising savings from staff vacancy levels. There are various technical reasons for this, but perhaps I could allude at this stage to a matter of principle.

Over the years the Governing Bodies have encouraged UN organizations, including FAO, to move away from input-based budgeting towards a situation where the review by the Governing Bodies focuses on what outputs we deliver, what outcomes the Organization achieves and what the impact is of FAO's programmes. So there has been a substantial move away since the 1990s from input-based budgeting which used to have the Governing Bodies, and I would say also the Secretariat, examine and control very closely the amount that managers spent on staff on consultants, on travel and general operating expenses, and to focus instead on the outputs and the achievements. What I am saying, therefore, is that internally, programme managers have flexibility in deciding how best to deliver their programmes. Managers have flexibility to decide whether in 2006-2007 they should fill vacancies, or alternatively employ consultants or contracts to provide a similar quality of human resource input.

The reason that I am clarifying this is that in order to maintain the level of current operations, as the distinguished delegate of Portugal has underlined, it would be necessary to provide for delivering those human resource services irrespective of whether those arrangements are through established positions, consultancy contracts, or short-term staff contracts. Therefore, it would still be necessary to have resources to deliver those programmes, programmes that are currently being operated, irrespective of whether staff is stationed against the established positions. I hope this clarification is helpful.

PRESIDENTE

Gracias Sr. Juneja, sus clarificaciones son siempre útiles. Ahora escucharemos a la República Francesa, por favor.

Mme Mireille GUIGAZ (France)

Je me permets de joindre ma voix à celle du Représentant du Portugal et je voudrais dire deux choses: la première c'est qu'après avoir très attentivement écouté l'ensemble des réactions de l'ensemble des délégations, je ne pense pas que nous pouvons dire, comme l'a indiqué M. Juneja, qu'il n'y a que des encouragements pour soutenir ce projet de budget et je pense que si notre habitude ici est de toujours nous féliciter, il faut aussi nous féliciter du fait qu'il y a un langage de plus en plus clair qui est développé dans cette enceinte concernant le budget et que nous devons faire attention à ce qui est dit dans les nuances parce que nous entrons maintenant, pas dans les principes, mais dans les nuances. La deuxième chose que je voudrais dire est que la réponse de M. Juneja est intéressante parce que M. Juneja est un vrai *manager* et il nous dit qu'il y a des marges de manœuvre, il nous dit qu'à l'intérieur des programmes il y a des choix possibles, il nous dit que ce budget n'est pas un budget doctrinaire. C'est un budget qui comprend des flexibilités, en fonction aussi des réalités du terrain et moi je pense que nous devons comprendre ce qu'il dit

parce que quiconque gère un budget de plus de deux millions de dollars; un million de dollars de contributions obligatoires, un million de dollars de contributions volontaires qui montrent d'ailleurs l'intérêt que sait susciter la FAO de par le monde. Quiconque donc, comme lui, gère un budget de deux millions de dollars, sait qu'il y a des marges de manœuvres, et ces marges de manœuvres, je voudrais que la direction, M. Juneja, nous dise éventuellement où elles sont. Nous avons besoin de l'apport du Secrétariat pour nous expliquer où sont les flexibilités. Je n'attends pas une réponse immédiate, je dis simplement que ce travail doit être engagé et c'est très important pour le résultat de notre Conférence.

Christer WRETBORN (Sweden)

Sweden speaks on behalf of the Nordic Countries: Denmark, Finland, Iceland, Norway and Sweden. The Nordic Countries align themselves with the statement made by the Presidency of the EU on this point of the agenda.

The Nordic Countries support that FAO remains firm. We note with satisfaction that all Members support a strong and effective FAO. Enhanced food security and rural development are essential in reaching the MDG 1 of halving the number of hungry people by 2015. Seventy-five percent of the world's poor are directly dependent on agriculture, fishing and forestry for their livelihood.

The World Development Report 2008 has long supported the view expressed by FAO that agriculture and rural development must be accorded a central role in the development policy. FAO should play a leading role in this work, as the IEE confirms, that the common goals of all Member Nations of the Organization are to overcome hunger and malnutrition, promote sustainable agriculture and rural development and promote the conservation, improvement and sustainable utilization of natural resources.

That said, it is imperative that FAO be reformed. Far-reaching changes in the Organization are needed for it to be able to give up to the expectations placed on it.

The Nordic Countries have been supporting the Independent External Evaluation process from the start, and it is against this background that we are here today to discuss the Programme of Work and Budget for 2008-2009.

The IEE has been very clear in its final Report, FAO cannot meet the challenges that the Organization is facing if it continues with the policy of Zero Nominal Growth.

The FAO's regular budget has lost more than 20 percent in real terms over the last 12 years and the IEE notes that the FAO will rapidly become marginalized to the point of irrelevance if this continues.

The IEE confirms that Zero Real Growth for the next two year period is probably the minimum required for implementing the necessary reforms that the IEE has proposed.

The Nordic Countries will take this opportunity to express that we have never agreed to the Zero Nominal Growth policy strategy. In our opinion, the budget proposal known as the maintenance budget is mainly seen as compensation for price and cost increases, that is a budget to maintain the Organization's purchasing power over the coming two-year period. We think that is now important to adapt a budget level that does not force us to carry out reprioritization in the programmes.

The need to make changes in the programmes and the programme structure will arise in connection with the implementation of the IEE's recommendations and proposals. To change the programmes now to then make changes in the programmes again in a year's time is wasting scarce resources.

The Nordic Countries note that our position is in line with the vast majority of FAO Members and the FAO Council in June 2007. The maintenance budget does, of course, contain cost increases for measures that have been decided by the Governing Bodies or that can be decided by the upcoming Conference. It is basically a question regarding the Russian language, we consider it

reasonable for the first to be taken toward phasing in Russian as an official language, alongside the other official FAO languages.

However, we are disappointed by the fact that the Secretariat does not intend to continue endeavours to increase efficiency. Realistic efficiency gains are not included in the proposed assessment for 2008-2009. FAO has previously been very successful in increasing efficiency and as recently as the last two-year period, the FAO applied a typical annual efficiency goal of 1 to 1.5 percent to the public sector. There are no objective reasons why this long-term policy should stop, and we are completely convinced that the FAO Secretariat is capable of continuing to increase efficiency on the same scale as previously.

FAO does, of course, need liquidity to cope with temporary strains on the budget. Many liquidity problems occur because the Member Nations do not fulfill their commitments to the Organization on time or at all. The expenditure of interest payments that FAO suffers due to late payments of the Assessed Contributions has to be paid for by all other Member Nations. This is unreasonable and it is important in connection with the discussion of the IEE's recommendations that these issues are properly examined and that it lead to effective and tangible measures.

The Nordic Countries can support a certain increase in the capital reserves in order to give the Organization a buffer, but further measures to restore FAO's financial health should be postponed.

The Programme of Work and Budget refers to programmes and budgets for the next biennium. However the present Programme of Work and Budget does not take into account possible costs resulting from the implementation of the IEE recommendations and proposals. This is also reasonable, as these costs depend on the recommendations that Members consider should be implemented and how much these recommendations would cost. We do not know what these are at present. This is an issue that we will have to deal with at the Special Session of the Conference in 2008, but we are all prepared to include an extra budget line in the budget proposal for 2008-2009 in order to cover the costs related to the implementation in 2008 of the Conference resolution for the IEE.

To sum up, the Nordic Countries can support the principle of a maintenance budget. It gives FAO the possibility of implementing essential activities over the coming two-year period and avoiding demanding reprioritizations in programme activities. However we believe that the FAO must continue to look for ways of rationalizing and changing administrative routines. This is a necessary condition for an effective management of resources and an essential aspect of every vital organization.

PRESIDENTE

Muchas gracias al Embajador Wretborn que ha hablado por Suecia en nombre de los Países nórdicos. En vista de que hay muchos delegados que están entrando y saliendo y esto es natural porque estamos celebrando otras reuniones de manera paralela, recuerdo a los distinguidos delegados que estamos analizando el Tema del Programa de Trabajo y Presupuesto 2008-2009, las delegaciones pueden hacer intervenciones a título propio, los líderes regionales a nombre de los países que así los hayan autorizado a hacerlo, pueden hacer preguntas solicitar clarificación a la administración de la FAO sobre la propuesta que tenemos en las manos. Así que dicho esto concedería la palabra a Afganistán y luego a Noruega. Dr. Ayazi por favor.

Abdul Razak AYAZI (Afghanistan)

I was listening carefully to the distinguished representative of Portugal on behalf of the EU. I think that one point needs to be clarified; the fact that "x"-posts and that "x"-number of posts remain vacant does not really mean that the resources earmarked for these posts are not used. In fact, they are used in terms of consultants' contracts, etc., and that is why Mr Juneja was referring to the flexibility element. I hope he can clarify it further.

PRESIDENTE

Gracias Dr. Ayazi, yo también espero una clarificación sobre este punto una vez hayamos concluido esta nueva ronda de intervenciones.

Arne B. HONNINGSTAD (Norway)

I align myself to the statement just given by Sweden on behalf of the Nordic Countries and I felt that was a very necessary statement in view of the discussions I have heard here this morning. It gives us a certain measure of concern, especially when we heard the statement given by the distinguished representative of Pakistan on behalf of the G77 and China. That was a clear indication that the Group of 77 and China is ready to negotiate a reasonable maintenance budget. It gives a very good foundation for further deliberation in this Commission. Unfortunately, I did not hear any countries commend G77 and China for their flexible attitude and their willingness to take the common share for the future of this Organization and the common responsibility.

I think this is a unique opportunity in time to establish confidence between groups, common goals and a common understanding on what this Organization needs.

I am also concerned about what I heard from different quarters in the debate today, that we are going to have, in fact, a one year budget, and that we are going to have a full revision, at the Special Session of the Conference in the 2008, of the budget. Yes, we can do an adjustment, but a total revision of the budget does not make sense at all. We have to think in practical terms here. It is the same people that are going to do the reform work in the Organization and we are absolutely dependent on their input - the Director-General and his people's input to the Conference Committee and the working groups that they are going to establish. If you are giving them a double workload also to prepare a new budget for 2008 and the coming period, they are creating a workload that is unsustainable.

I also thought it was unreasonable when the distinguished Ambassador of France now asked the Secretariat, at this time in the process, to point out new areas for savings. Is this something that we should do in this Commission? I am not saying, as you heard from the Nordic statements, that possibilities for efficiency savings are not there, but this is for a period of two years and the period of two years is what we need to stand by.

I also think it an unreasonable demand that staff positions should not be filled, that things should be vacant in this time in space where we are putting a lot, not only on the Conference Committee and on ourselves, a lot of hard work, but especially for the Secretariat. Keep that in mind, fellow delegates.

The terrible and challenging workload that we now have in front of us, in fact for the next four years, a maintenance budget, yes, we need a maintenance budget. I am not pleased to hear all this more or less creative proposals for tweaking the budget. By doing that, by not replenishing the reserve accounts, by not securing enough the medical after-service, we are pushing all these problems in front of us and I can tell you, they will come to closure and where do we stand then.

My Ministry, in the Plenary today, very strongly supported the maintenance budget. What, in fact, we are saying is that the blood-letting of this Organization has to stop.

PRESIDENTE

Muchas gracias señor Embajador por sus comentarios. En este momento la lista de oradores está vacía, en caso de que otros delegados deseen hacer uso de la palabra, les recordaría que todavía tenemos unos 25 minutos de tiempo de interpretación en esta sesión matutina y en caso de no haber otros delegados que deseen hacer uso de la palabra en este momento, entonces pasaría el micrófono al Sr. Juneja a quien le hemos solicitado algunos puntos de clarificación para continuar con este proceso de entendimiento y cuáles son los conceptos que tenemos que tener claros para así poder estar en posesión de toda las informaciones necesarias para poder tomar las decisiones políticas que entendamos sean las oportunas. Sr. Juneja, por favor.

Manoj JUNEJA (Director, Programme of Work and Budget, PBE)

In response to the question raised by the Representative of Afghanistan, I would again reaffirm that, in fact, there are different modalities for delivering existing programme activities. Managers have the flexibility to choose the means by which they will achieve the planned outputs and outcomes. The primary responsibility of FAO managers, under results-based management principles, is to meet the programme objectives that the governing bodies have assigned through the Medium-Term Plan and the Programme of Work and Budget.

Now, I mentioned in my earlier intervention that there are also some technical explanations for vacancies, quite aside from this flexibility that managers have. Allow me just to mention a couple.

The first was alluded to by the Representative of Pakistan, and that is the lapse factor. The concept of the lapse factor is explained in the Programme of Work and Budget document, under the cost increase section of the document, in paragraphs 246 through 255. What the lapse factor does is to build into the budget a planned vacancy amongst the established staffing of the Organization, and paragraph 252 of the PWB indicates an average turnover rate of 6.91 percent for Professional staff and 5.7 percent for General Service staff. What that means is that with respect to that turnover, the Programme of Work and Budget does not have any budget for that proportion of staffing. Now that would account to some 60 plus posts being vacant at any point in time at Headquarters and not being budgeted in the PWB.

Another technical explanation as to the operations during the current biennium is due to a new structure having been progressively approved and implemented by the governing bodies during 2006-2007. While the Organization moved away from the old structure, the establishment of the new structure required some time. Due to requiring that time to come into effect, it is understandable that there would be some vacancies before the new structure becomes fully operational.

There are, of course, other technical explanations as well, but at this stage, perhaps you will allow me to stop.

PRESIDENTE

Muchas gracias Sr. Juneja por las clarificaciones que nos aporta y que serán útiles para nuestro debate.

Haré una breve reflexión sobre el tema de la aprobación de una resolución con un nivel específico de presupuesto. Hay motivos para sentirme contento y motivos para sentirme triste. Me siento muy contento porque en mi experiencia en la Comisión II como miembro de ella y participante en la Conferencia General del 2003 y de nuevo en el 2005, la primera ronda, es decir lo que estamos teniendo ahora, primera ronda de comentarios sobre el Programa de Trabajo y Presupuesto, mostró que había una divergencia enorme entre diferentes posiciones, este no es el caso. En esta oportunidad, creo que hay una divergencia y obviamente todos los sabemos, hemos escuchado a nuestros colegas hablar y la divergencia es muy estrecha, este es el motivo de alegría. El motivo de la pequeña tristeza es que la divergencia existe, es decir que en esta Plenaria no hemos conseguido una posición consensuada sobre un nivel adecuado de presupuesto. Hay países que han planteado que el presupuesto de mantenimiento, como ha sido puesto sobre la mesa por la Administración, es aceptable y hay quienes han dicho que son aceptables solo algunos puntos. También hay quienes han dicho que hubiesen deseado un mayor nivel de presupuesto, mientras que otros países opinan que este nivel debería ser más reducido.

En vista de las divergentes opiniones sobre el nivel del presupuesto y en base a la experiencia que tuve personalmente en las dos Conferencias anteriores y por supuesto luego de consultar con el Secretario quien me dice que en efecto así han hecho también en el pasado y no solo en esas dos oportunidades, lo que se ha decidido y se ha planteado a la Presidencia en esas oportunidades y se ha decidido al final, y aquí tenemos al Embajador Malek, Presidente de esta Comisión en las pasadas Conferencias, lo que se ha hecho es convocar a un grupo más reducido, un grupo de

trabajo, un grupo de Amigos del Presidente de la Segunda Comisión para reunirse en una sala de dimensiones menores, ya que como todos sabemos esto siempre ayuda a alcanzar consensos.

El procedimiento que yo propongo como Presidente es de convocar un número de hasta tres delegados por cada uno de los siete grupos regionales, para reunirnos en un momento que será determinado en el curso de las próximas horas del día de hoy.

Tengo que consultar con el Presidente Independiente del Consejo, porque como ustedes recordarán hay otro tema de nuestra agenda que está todavía pendiente y que está en este momento en sus manos. La Sesión 133 del Consejo que terminó la semana pasada, autorizó que este grupo de amigos del Profesor Dr. Noori, continuase buscando las vías expeditas de un consenso sobre una resolución procedimental con respecto a la Evaluación Externa Independiente. Por lo tanto me gustaría conversar y coordinar esto con él, siempre teniendo en cuenta lo que hemos ya escuchado en el Consejo y en el propio Grupo de Amigos del profesor Dr. Noori, de tratar por todas las vías posibles de conjugar la discusión sobre la Evaluación Externa, con la discusión del Programa de Trabajo y Presupuesto para que estos grupos informales no tengan lugar al mismo tiempo o de manera simultánea. Esto requerirá un trabajo de coordinación del Presidente del Consejo, de quien les habla y de los miembros de la Secretaría con el objeto de buscar los mecanismos logísticos que permitan no tener que elegir por ir a una o a otra, sino que en vez, se produzcan estas conversaciones de manera simultánea como ya mencionado para que se produzcan de manera concatenada y secuencial.

Después de lo arriba mencionado yo propondría, como ya dicho según el procedimiento usual y en este caso estaríamos concluyendo nuestros trabajos de la sesión matutina con los insumos importantes ya provistos por las diferentes delegaciones que han hecho uso de la palabra de una manera o de otra, cubriendo a toda la membresía y así estaríamos clausurando la sesión matutina en ese momento. Antes de concluir paso la palabra al Secretario, Sr. Quereshi, para darnos avisos de importancia.

Estaríamos convocando a volver a reunirnos aquí en la Sala Roja para la Sesión de las 14.30 horas, momento de inicio de la sesión, el cual ruego a todos ustedes respetar para poder aprovechar al máximo la disponibilidad de la interpretación.

A las 14.30 horas ya se habrán hecho las consultas necesarias para saber exactamente cuál será el procedimiento a seguir, de manera que tanto la discusión sobre el Presupuesto como la discusión sobre la Evaluación Externa puedan ya quedar clarificadas y por lo tanto, hacer el mejor uso posible de los cortos días que tenemos para poder someter la propuesta de esta Comisión al consenso de la Plenaria de la Conferencia, lo cual tendrá lugar este viernes por la mañana.

Le concedo la palabra al Sr. Secretario para que anuncie los avisos y así poder clausurar la Sesión matutina, convocando a todos para las 14.30 horas.

SECRETARY

Regarding Mr Juneja's introductory remarks, for your information, they are, in fact, available in English at the documents desk. The other language versions will be available at the same place by the end of the day.

Now just to add a little complexity to the number of groups we have, there is also the matter of the Drafting Committee. We have referred to it several times during the course of this morning, and perhaps this is the time for me to inform the Commission of the nominations that have been received for the Drafting Committee. They are as follows: in the Chair we have Armenia, followed by Afghanistan, Argentina, Australia, Brazil, Cameroon, Pakistan, France, Germany, India, Japan, Kuwait, Portugal, Uganda and the United States of America.

In consultation with the Chair of the Drafting Committee, it is proposed that this Committee meet tomorrow evening. We will confirm the location of this meeting, but tentatively we have scheduled the Drafting Committee for Commission II to convene tomorrow evening at 18.00 hrs. There is a form that needs to be completed in this respect; the form is being printed and we will circulate it in the course of this afternoon just to confirm the nominations and membership, but

this is the plan with regard to the Drafting Committee. I thought the Commission should be advised of this.

PRESIDENTE

Muchas gracias a usted Sr. Quereshi por informarnos sobre todos estos temas tan importantes, el Comité de Redacción está en las manos hábiles y experimentadas del Embajador Malek quien en el pasado fue el Presidente de la Comisión II.

Entonces clausuramos ahora y nos vemos a las 2,30 en punto. Gracias.

The meeting rose at 12:18 hours

La séance est levée à 12 h 18

Se levanta la sesión a las 12.18 horas

CONFERENCE CONFÉRENCE CONFERENCIA

**Thirty-fourth Session
Trente-quatrième session
34º período de sesiones**

**Rome, 17 November – 24 November 2007
Rome, 17 novembre – 24 novembre 2007
Roma, 17 de noviembre – 24 de noviembre de 2007**

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

20 November 2007

The Third Meeting was opened at 15:00 hours
Mr Mario Arvelo Caamaño,
Chairperson of Commission II, presiding

La troisième séance est ouverte à 15 h 00
sous la présidence de M Mario Arvelo Caamaño,
Président de la Commission II

Se abre la tercera sesión a las 15.00 horas
bajo la presidencia del Sr Mario Arvelo Caamaño,
Presidente de la Comisión II

PROGRAMME AND BUDGETARY MATTERS (continued)
QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET (suite)
CUESTIONES PROGRAMÁTICAS Y PRESUPUESTARIAS (continuación)

14. Independent External Evaluation of FAO (C 2007/7A.1-Rev.1;
C 2007/7A.1-Corr.1; C 2007/7A.2; C 2007/7B)

14. Évaluation externe indépendante de la FAO (C 2007/7A.1-Rev.1;
C 2007/7A.1-Corr.1; C 2007/7A.2; C 2007/7B)

14. Evaluación externa independiente de la FAO (C 2007/7A.1-Rev.1;
C 2007/7A.1-Corr.1; C 2007/7A.2; C 2007/7B)

PRESIDENTE

Muy buenas tardes Señoras y Señores, como prometimos en la mañana estamos aquí de nuevo, tengo a mi lado al Presidente Independiente del Consejo para continuar nuestros trabajos, espero que hayan tenido un buen almuerzo.

Hasta ahora hemos realizado muy buenos progresos con nuestra agenda de trabajo y ha llegado el momento de dirigirnos al Tema 14, que es el de la Evaluación Externa Independiente de la FAO, este tema de agenda tiene como base documental los siguientes documentos, el C 2007/7A.1, Rev. 1, el C 2007/7A.1-Corr-1, el C 2007/7A.2, el C 2007/7b y el C 2007/12-Rev.1, este último contiene un extracto del Reporte del 133 período de sesiones del Consejo y el Reporte al Consejo de el Presidente Independiente con las recomendaciones del grupo de amigos del Profesor Dr. Nuri, sobre el seguimiento a la Evaluación Externa Independiente de la FAO.

(Continues in English)

CHAIRPERSON

I am delighted to welcome the Independent Chairperson of the Council, Professor Dr Noori, to the podium and for the benefit of the Conference, I would like to invite him to take the floor and present his report on the recommendations of the Friends of the Chair on IEE follow-up and on the status of the draft Conference Resolution on the IEE. Professor Noori, you have the floor sir.

Mohammad Saeid NOORI NAEINI (Independent Chairperson of the Council)

Thank you, Mr Chairperson, let me start by congratulating you, or better to congratulate the Commission II, having you as the Chair. We are all in able hands and I am sure that we will make good progress.

As you all know at our last session, the Conference strongly confirmed the Council decision to proceed with an Independent External Evaluation of FAO. Since then we have undertaken a very intensive process in what has been the most comprehensive independent evaluation ever undertaken of an international organization. We unanimously came together accepting the premise that time was ripe for change; and that we needed a strong evidence-based and independent external analysis to provide the basis for the change. We all agreed that there was no question of FAO's basic mandate, but the Organization needed to be renewed to support their fulfilment of that mandate.

As is clear from this year's World Bank World Development Report on "Agriculture for Development", at the outset of the new millennium, agriculture, and thus FAO's mandate, is back on the map. Hunger remains a persistent problem, commodity prices are climbing, climate change is upon us and agriculture continues to be pivotal in all these issues. The one United Nations body for agriculture, food and related natural resources is, if anything, more central today than when we began the IEE.

I wish I could convey to you the full spirit of commitment and enthusiasm of our Council session to move forward on the basis of the IEE. We owe our thanks to the evaluation team. They did

everything we asked and, given the timeframe, they did it extremely well. They carried out a thorough, in-depth, evidence-based analysis and they have concluded on their recommendations for a way forward. We owe our thanks to the Director-General and the Secretariat which fully supported the IEE process and have reacted positively to its outcomes, welcoming the evaluation and expressing their desire in the management response and their statement to the Council to move forward.

We have also developed a momentum amongst ourselves as Members. In this we owe a lot to the Chair of the Council Committee for the IEE, Ambassador Perri, the former Representative of Brazil to FAO. Mr John Markie, Chief of the Evaluation Service has provided essential throughout the IEE process. I myself have had the privilege to chair a group of friends who have agreed on the main elements of a resolution to propose to the Conference. Mr Juneja, the Director-General's representative has made a very helpful input in this. This resolution, if adopted, will continue our process forward to consider the IEE Report which will provide the basis for Members' decision-making on a package of reform with growth for the Organization.

The IEE is a forward-looking evaluation. As we asked the evaluation team, it does offer us a road map. Of course, we will discuss that road map and build on it further, testing their conclusions and recommendations against our own national needs and the evidence presented by management, but we certainly have a strong basis.

If our proposals are agreed by the Conference, we would develop an Immediate Plan of Action and a draft Strategic Framework, through a time-bound Committee of the Conference and we would then convene a Special Session of the Conference in the latter part of next year, to decide upon the proposals for the Immediate Plan of Action and make decisions on the budgetary implications. The proposals for a draft resolution, as developed by the Friends of the Chair, are before you now.

There remained one area in which due to shortage of time we were not able to arrive at a final proposal for the resolution. This was the question of the work programme of the Conference Committee. I have proposed a text to the Friends of the Chair. If you, in Commission II, should so decide we can reconvene the Friends of the Chair and I hope resolve the remaining issues around this paragraph and thus provide the Conference with a consensus text.

The IEE found that the world needs FAO, but a more relevant, effective and efficient FAO. So far, both the management and the Membership have responded to the challenge of the IEE - to move forward with unity and determination in the renewal of our Organization, making it fit and responsive to our needs in this twenty-first century.

It is my hope and that of the Council that we will be able to maintain this momentum and unity as we move into the next stage of the process.

I thus have the privilege to commend to your consideration our Council report on the IEE; the report of the IEE itself; and my report of the Friends of the Chair.

CHAIRPERSON

Thank you very much, Mr Independent Chair of Council, and let me just underline five, six of your words – 'maintain the momentum and unity' – it is four words that I would like to underline because they are, of course, the ones that are going to get us to where we need to be - momentum and unity.

I would, very briefly, like to say that in addition to the list of documents that I mentioned before you spoke, we also have C 2007/LIM/15. This is a document that only became available a short while ago and that forms also a part of a body of documents that the Commission II will need in order to consider this subject.

So again, sir, thank you so very much for your encouraging words and for your report to Commission II, and before I open the floor on this matter, I am also delighted to welcome Mr

David Harcharik, the Deputy Director-General, to this podium, and I would invite him to say a few words from management.

DEPUTY DIRECTOR-GENERAL

Last week I had an opportunity to make some short remarks to the Council about the report of the Independent External Evaluation of FAO. In particular, I tried to assure the Council that the overall reaction of the Director-General, and indeed of the entire Secretariat, was positive, very positive, toward the report and that we would faithfully implement all decisions that the Conference makes regarding the report. Sadly, no matter what we say and no matter what we do, we continue to receive informal feedback that some Members are hesitant to believe us, that they are not entirely convinced, and that they remain skeptical.

I should like to try once again to provide the assurance and the reassurance that Members desire. Forgive me if I am somewhat undiplomatic, but I believe the time has come for total candour.

Let me frame my remarks around the three words that best capture the entire 400-page report: 'reform with growth'. Mr Bezanson, the principal author of the report, was correct last week when he said that those three words were easy to say. Ah, but he was also right, so very right, when he said that they were, in fact, very difficult to accept. It is going to take a lot of courage, courage on the part of the Secretariat and courage on the part of you, the Members, to actually implement the IEE recommendations.

Speaking candidly, very candidly, I can tell you that there is much in the reform half of 'reform with growth' that has not been easy for some of us in the Secretariat to accept. How could it be? We had already proposed reform to you, several times in fact over the past 14 years. And only two years ago, at the last Conference, you approved several important reform initiatives, which are still only in their initial phases of being implemented. And now we are asked to reform once again. Reform, change, with all the disruption, uncertainty and confusion that are entailed. No, it is not easy to accept more reform.

Nor is it easy to listen to calls for administrative and cultural change in FAO, change in the way we go about our daily business, change to several of the policies and practices that the Director-General, I and other senior managers have put in place. Indeed, the report contains sharp criticisms. It is not easy to listen to suggestions that we need to go about our job in a different manner.

Indeed, change, as they say, can be painful. So if you catch some of us in an occasional unguarded moment and hear our muffled groans about something in the IEE, or should you note our occasional wince, please consider them as normal reactions to pain. But don't, please do not, confuse them with resistance, lack of commitment or reluctance. For it is also said that 'no pain, no gain'. And I want to convince you that the Director-General, I, senior management and, indeed, everyone in the Secretariat wish to realize maximum gain from the report of the IEE.

How could we not want that? It is unthinkable, when you stop to think about it. The IEE is a major historical milestone in the life of this Organization. It is an important opportunity to make FAO better fit for the complex challenges that lie ahead, better fit to help overcome hunger and malnutrition, and better fit to promote economic and social development and the sustainable management of natural resources. Indeed, better fit to achieve the three goals that you set for us in the Strategic Framework that you approved. How could we not want to do better in achieving these goals? It is unthinkable.

And the job is not getting easier; it is becoming harder and harder. The world faces the challenge of feeding 50 percent more people by 2050. And this must be done despite a diminishing land and water resource base, and in an environment increasingly threatened by climate change. Thus, perhaps more than ever before, the world needs a strong and effective FAO. It needs a better FAO. And we in the Secretariat want the IEE Report to be the catalyst that will make us better.

We are, therefore, positive about the IEE's report. We accept its criticisms as constructive pointers for further improvement to the functioning of FAO. And we are convinced that they merit

introspection, analysis and action. We will, therefore, support preparation of an ambitious and realistic action plan to be considered by the proposed Special Session of the Conference next year. Finally, on this point, I can assure you, and I wish to reassure you, that there is unequivocal commitment from management to implement any changes, however far-reaching, that are decided by you, the Membership, for these will be the building blocks of renewal.

So far I have referred only to reform in the Secretariat. Yet FAO is much, much more than the Secretariat. The IEE rightly points to the shared responsibility of the Secretariat and the Membership in shaping the future of the Organization, a responsibility that I believe is also inherent in those three, not-so-simple words 'reform with growth'. And just as I confessed that accepting the reform half of the concept has not come easy for the Secretariat, it is clear by now that accepting the growth half is not easy for many Members. Indeed, it is going to take a great deal of courage, political courage. I can only hope that you find the courage, you muster the courage or whatever it takes, to put this Organization on a sound financial footing and that you are able to finance the implementation of the recommendations of the IEE.

We in the Secretariat also obviously appreciate the IEE conclusion that a financial baseline for the 2008-2009 biennium should be set at not less than Zero Real Growth. In fact, our management response cautions that previous reform initiatives in the Organization have been hampered by lack of resources, and that past attempts to build consensus on priorities were less than fully successful because of decreasing budgets. I can only hope that we are not headed down that path once again.

In conclusion, management's response to the IEE is positive. We have tried to be forward looking, providing a staunch commitment to an adequately-resourced process of transformation with sound oversight from the governing bodies. It is the most sincere hope of management and staff that the IEE leads to a constructive outcome at this Conference and one that results in an improved, more efficient, more effective and better financed FAO that is more able to help overcome world hunger.

PRESIDENTE

Muchas gracias Sr. Hacharik. Usted ha dicho, al iniciar sus palabras, que no sería diplomático pero yo le diría que ha sido perfectamente diplomático. A veces creemos que ser diplomáticos significa hablar con ambigüedad y de alguna manera no ofender, pero usted ha hablado con claridad, desde la cabeza y desde el corazón, y no ha ofendido a nadie.

Le puedo decir que, como representante del Gobierno de mi país, he estado involucrado en el proceso de la Evaluación Externa desde el principio cuatro años atrás, cuando la idea fue circulada por primera vez. En ningún momento he tenido dudas de que la administración de esta Organización eventualmente implementará todas las decisiones que sean adoptadas por los órganos rectores y, como usted bien ha dicho, la FAO somos todos. Le agradezco mucho sus declaraciones, y estoy seguro de que todos los delegados han tomado debida nota de ellas.

A continuación, abriremos una nueva lista de oradores para que todas las delegaciones que entiendan conveniente compartir sus impresiones sobre este tema lo hagan en un ambiente de total transparencia. En este sentido, estoy pidiéndole al Secretario que comience a tomar nota de los delegados que desean pues compartir sus comentarios, hacer declaraciones generales o particulares sobre este tema. Tiene la palabra el delegado de Afganistán.

Abdul Razak AYAZI (Afghanistan)

Could you please clarify to us whether we are discussing C 2007/LIM/19 and if so, may we concentrate on pages 2 to 4 of that document, which is the Resolution.

When I compare the text of the Resolution of C 2007/LIM/19 with the one that was issued yesterday C 2007/LIM/12, I see the following differences.

Firstly, paragraph 8 [a status report by 1 May 200] a proposal made by the United States. Secondly, the names to be filled in paragraph 9. Thirdly, in paragraph 13 which is the level of the budget and is also in brackets.

If I am correct, these three changes which have not yet been agreed to by the Friends of the Chair, I do not think it calls for a special meeting. It can be settled right here. They are not very controversial.

As to the background, I presume this reflects the views of the Council and there is not much we can add. I cannot see any change unless we agree to the annex of North America, instead of 12 paragraphs C 2007/LIM/19 will become 13 paragraphs.

PRESIDENTE

Muchas gracias a usted Dr. Ayazi. Hemos trabajado juntos durante dos períodos, en el Comité de Programa y en otras reuniones formales e informales y no podía esperar menos que usted se diera cuenta precisamente de todos los detalles. Lo primero que quiero hacer es pedir excusas porque el documento que usted mencionó en efecto es parte de los documentos que tenemos delante: el C 2007/LIM/19, así que me imagino que estos son todos los documentos que vamos a considerar en este momento.

Los documentos que mencioné antes, el C 2007/LIM/15 y C 2007/LIM/19, que no mencioné en un primer momento y esto es un error de mi parte y por eso pido excusas, como usted bien señala constituyen el cuerpo documental que vamos a estar utilizando en el tratamiento de este punto. Entonces para responder a los elementos específicos que usted ha mencionado le voy a pedir al Sr. John Markie que tome la palabra y así obtener de él la clarificación necesaria. Sr. Markie por favor.

John MARKIE (FAO Staff)

To clarify, document C 2007/LIM/19 provides the latest status with respect to the discussion of the Friends of the Chair on the Resolution and thus, in a way, replaces all of the previous documents in that respect. In addition to the bracketed text noted by the Representative of Afghanistan, paragraph 8, is a proposal which was made by the Independent Chair to the Friends of the Chair, in which the Friends of the Chair did not reach a final conclusion on.

From the point of view of the Resolution, all of the text on the table is contained in C 2007/LIM/19.

PRESIDENTE

Muchas gracias señor Markie por la clarificación que realmente es muy útil. Así que en este momento le pediría al Dr. Ayazi, Afganistán si desea dar seguimiento a su intervención, sino continuaremos con la lista de oradores. Sí Afganistán por favor.

Abdul Razak AYAZI (Afghanistan)

Thank you, Mr Markie for your explanation.

I thought yesterday we agreed on the text of paragraph 8, with exception of the brackets in the sixth line. If paragraph 8 is not accepted, then it should be entirely under brackets.

Mohammad Saeid NOORI NAEINI (Independent Chairperson of the Council)

As John Markie already explained, we do have C 2007/LIM/19 text, which actually contains two parts. One part, which has been agreed to by the Friends of the Chair, is the whole text except paragraph 8 on page three, which is titled: Proposal of Independent Chairperson of the Council for a Paragraph under Work Programme of the Conference Committee.

Unfortunately, we did not have enough time yesterday to discuss paragraph 8 and reach an agreement on that. So the only paragraph without agreement is the whole paragraph 8. I am confident that we will not have great difficulties on that, and we will reach an agreement. So far, everything else is agreed with consensus of the Friends of the Chair, except paragraph 8 of this document. This is why we have separated this by saying this is a proposal.

PRESIDENTE

Con las explicaciones que nos ha dado el Sr. Markie, por parte del Secretariado ya que el ha venido trabajando en la Secretaria con todos los temas de la Evaluación Externa y con las explicaciones del Presidente Independiente del Consejo creo entonces que estamos literalmente en la misma pagina, es decir, en el documento C 2007/LIM/19. Si todas las dudas del Dr. Ayazi han quedado cubiertas, continuaríamos con la lista de oradores. Tenemos a Malí, Portugal y Arabia Saudita. Comenzamos con Malí.

Ibrahim Bocar DAGA (Mali)

Avant que nous ne rentrions dans les détails de tous ces documents que vous nous avez énumérés, je voudrais simplement dire mon sentiment sur les travaux que nous allons engager au niveau de la Commission II. Il faut que nous prenions conscience que nous sommes au chevet d'un grand malade mais que nous avons rendu malade et que nous avons pris conscience qu'il est temps enfin de réanimer, d'entretenir, donner de l'énergie à cette Organisation afin qu'elle remplisse sa mission.

Cela fait un bon moment que je suis dans cette maison et j'ai rarement eu à écouter un appel aussi pathétique, aussi profond que celui que notre ami David Harcharik, qui va bientôt nous quitter, nous a lancé. Je crois que c'est un coup au cœur dont on sent la sincérité. Une des choses les plus importantes que l'équipe de l'Évaluation a eu à nous dire c'est que notre Maison est dans cette situation simplement parce que nous ne lui faisons plus confiance. Nous ne croyons plus les uns aux autres. Si cela est arrivé, cela nous a conduit à cette évaluation. Je salue l'humilité du Secrétariat de la FAO pour avoir reconnu un bon nombre de critiques que moi personnellement en tant qu'État Membre, j'ai traité d'inutile voire de fallacieuse, injurieuse à plusieurs endroits.

Le Secrétariat qui a été attaqué, qui a vraiment été attaqué d'une manière, je dirais lamentable, a eu ce courage et cette humilité d'accepter quelque part et peut-être que les critiques que je reçois peuvent être justifiées et je l'accepte avec humilité mais je vous renvoie une seule chose, c'est qu'il ne s'agit pas du Secrétariat mais de l'Organisation; c'est de l'Organisation qu'il s'agit maintenant. Avons-nous la ferme volonté de recréer cette Organisation dont les auteurs de l'Évaluation eux-mêmes nous disent que si elle n'existait pas il aurait fallu la créer? Quand on nous dit qu'elle a des compétences dans certains domaines que nulle autre Organisation n'a et dont aussi bon nombre d'États Membres vous disent qu'elle est indispensable pour assurer leur sécurité alimentaire.

Nous avons reçu des dirigeants de ce monde des objectifs. La FAO est en première ligne pour remplir les objectifs du millenium, peu s'en faut et d'après l'état dans laquelle nous l'avons mise, elle est très loin du compte. Donc, je crois maintenant, après l'appel du Président indépendant du Conseil, homme de consensus par excellence que nous connaissons, après cet appel, je dirais pathétique du Secrétariat qui ne pense qu'à l'Organisation, je crois qu'il est temps nous aussi que nous mettions en berne nos ego personnels et que nous pensions à l'Organisation et rien qu'à l'Organisation et à sa raison d'être. Mais honnêtement, est-ce que nous n'oublions pas un peu trop ces centaines de millions d'affamés? Car si nous sommes en désaccord, qui en sont les victimes? Ce sont ces populations que l'on veut nourrir. Nous on n'a pas faim ici! Nos conflits sont inutiles et je crois que dire qu'il faut que la FAO ait besoin d'un budget réel qu'à Croissance Zéro Réel, ce n'est pas trop demander, ce n'est pas au-delà des moyens des États Membres, aussi petits soient-ils, aussi pauvres soient-ils. Soit nous allons continuer à divertir la galerie chaque année les médias vont dire que l'on s'est réuni à la FAO. On part avec résultat zéro, soit pour une fois nous devenons responsables et nous décidons de prendre les problèmes à bras le corps et je répète que ce n'est pas pour le Secrétariat qu'on prend des décisions ici. Le Secrétariat passe! la FAO en a connu beaucoup et la FAO a connu beaucoup de Présidents. Vous voyez qu'il n'y a que des Présidents autour de cette table. Cependant, la FAO demeure l'outil indispensable et donc il faut que l'on arrête de se payer des mots, il faut que l'on arrête vraiment de penser que nous sommes dans une situation de guerre. Non, la seule guerre qui vaut est celle contre la faim. Prenons en conscience, c'est l'appel vraiment que le vieil homme que je suis vous lance, je vous prie de penser enfin à la FAO. Je vous prie de penser enfin à ceux qui ont faim. On ne devrait pas s'entre-

déchirer pour ce petit budget lorsque l'on sait se que nous gaspillons par ailleurs, même les pays les plus petits et qui sont les plus guerriers perdent de l'argent inutilement. Nous avons des budgets colossaux pour les désastres, pour détruire le monde, et nous sommes incapables d'avoir un petit budget pour nourrir le monde. C'est vraiment une honte. Je voudrais vraiment quitter la FAO en sachant qu'elle est enfin à niveau pour remplir sa mission. C'est tout ce que je voudrais à l'issue de cette Conférence et je m'excuse de faire cette déclaration mais honnêtement c'est tout ce qui me tient à cœur, tous les autres points sont moins importants. Sauvons la FAO, c'est notre raison, en tous cas, d'exister ici en cette période à Rome et je vous remercie de vous avoir fait perdre du temps pour certains mais honnêtement il me fallait sortir ce cri du cœur.

PRESIDENTE

Muchas gracias Sr. Daga por sus exhortaciones y me crea que hablo por todos cuando le digo que lo echaremos mucho de menos.

Antonio DUARTE DE ALMEIDA PINHO (Portugal)

I recall our intervention made recently at the Council about this agenda point – the IEE. We are going to put our intervention of the Council because we maintain our position, outside for the delegations who want to have a copy of our intervention. And on the sake of time and efficiency, I should also say that we are here in a very constructive way. We want a better FAO. As my Minister said yesterday in plenary of the Conference, the EU intends to reach 90 billion euros for aid to development in 2015 because we intend to reach the 0.7 percent of our GDP for aid to development. And also I can inform you that most of the delegations that are very much involved in this reform are those that contribute more for the extrabudget of FAO. So when we are discussing here, it is in a constructive way, to have a better FAO that can have more money in the future, but for this we want, with all of you, to construct a better FAO for the future. So I want to say that when we put questions to the Secretariat as we did this morning, it is with the intention to clarify questions, but our main goal is with all the others. We are all together in the same war, against hunger in the world. This is our big objective and we stick on that. About the point that we have here, it is very quick to say that we are very happy with the proposal made by the Independent Chair of the Council, we can go totally along with it with new paragraph 8. We also agree with proposed small amendment that is between brackets. This is our position, our common position of the European Union Member States.

PRESIDENTE

Muchas gracias Sr. Pinho, usted ha hablado en nombre de la Unión Europea y sus Estados Miembros, le agradezco su intervención, le agradezco también que este aviso entregando al Secretario de la Comisión, la declaración que realizo durante el pasado periodo de sesiones del Consejo, esto será de gran utilidad para los expedientes de esta Comisión, y también para el Presidente del Comité de Redacción.

Aprovecho para recordar a los distinguidos delegados, que sería de mucha utilidad contar con sus intervenciones por escrito para ese mismo propósito.

Bandar AL SHALHOOB (Saudi Arabia) (Original language Arabic)

I speak briefly because of time constraints. However, as we are discussing C 2007/LIM 19. I would like to ask a very simple question to the Secretariat: Is this paper available in all the official languages, including the Arabic language? If yes, then please, we are asking for the Arabic language version if this paper exists also in Arabic.

PRESIDENTE

Gracias Sr. Al-Shalhoob, le diré que el documento ha sido preparado en idioma ingles original y se ha enviado a traducción. Recuerde por favor, que la razón por la cual no mencione este documento cuando cite todos aquellos documentos que debíamos estar utilizando en esta reunión, es precisamente porque su elaboración se había retrasado y no lo teníamos todavía en el podio, ya lo tengo en ingles, me lo están trayendo en español y quiero transmitirle las seguridades de la

Secretaría de que están haciendo todos los esfuerzos para que este documento este en todas las lenguas oficiales, en mano de todos los delegados, en el curso de los próximos minutos.

Ms Adele BRYANT (New Zealand)

New Zealand appreciates the leadership shown by many people involved in the IEE process so far, particularly Ambassador Perri, Ambassador Noori and Mr Markie. New Zealand can support the Resolution with the inclusion of the Independent Chairperson's proposed paragraph 8 and in the removal of the existing square brackets containing the status report, as contained in document C 2007/LIM/19. May I also propose an amendment which could remove the square brackets, or would remove the square brackets, currently in paragraph 13, the IEE budget as decided in the wider budget discussion. It is accepted by all Members that the additional resources are required. We, therefore, propose some simplification of the language in paragraph 13, as follows, and with your permission Mr Chair, I will read what my proposal is for paragraph 13. "The Conference recognizes the need for additional resources for the 2008-2009 Regular Programme budget of the Organization to fund the implementation of this Resolution, as provided for in the Budget Resolution 7/2007."

PRESIDENTE

Distinguida delegada, he tomado nota de lo que ha dicho, pero tras consultar con el Presidente Independiente del Consejo, la sugerencia que la Presidencia hace a los distinguidos delegados, es no regresar a aquellos párrafos que han ya sido aprobados en el contexto informal de los Amigos del Presidente Independiente del Consejo. Es cierto su argumento, que en el párrafo 13 todavía aparecen los corchetes, pero me indica el Presidente Independiente del Consejo, y es lo que yo mismo tenía entendido, que una vez se llegue a la resolución sobre el tema presupuestario por arte de magia, por así decirlo, esos corchetes van a desaparecer. De manera que le agradezco su contribución y le digo que realmente en este punto vamos a estar encontrando una solución por un camino paralelo.

Abdul Razak AYAZI (Afghanistan)

What the Independent Chairperson of the Council said, paragraph 8 is not yet settled. So the other paragraphs are more or less settled or not controversial. Can we then concentrate our discussion on paragraph 8?

Taniela Peninsimani VEA (Tonga)¹

I am speaking on behalf of the Government of Tonga. Tonga, like other members of FAO, welcomes and commends the report by the IEE Team, being the first-ever Independent External Evaluation (IEE) of FAO during its sixty-two year history.

Further, Tonga supports in broad terms, the proposed way forward and in particular recommendation, 1.1, that FAO develops a 3-4 year Immediate Action Plan (IAP) immediately following this Conference as a matter of priority in order to take forward the agreed "reform with growth" in a timely manner. Moreover, Tonga also supports recommendation 1.2, the establishment of a working group comprising of representatives from both the management and membership to facilitate the development of the Immediate Action Plan.

Of particular interest to our Region, the Southwest Pacific Group, are the comments and proposed action on regional grouping and representations outlined in paragraph 703 of the IEE Report. It is important that any changes in this area should serve to strengthen rather than dilute the Southwest Pacific Members' representations and that the Region be represented and engaged in the consultations process and ad-hoc groups set up by the Independent Chair.

The Southwest Pacific Group as you know, is comprised of many small island states with special problems and are always vulnerable to a number of challenges beyond our control. Such

¹ *Statement inserted in the verbatim report on request*

challenges include the rapid globalisation, the rising fuel and high transport costs. heavy reliance on a few agricultural commodities for export including vulnerability to natural disasters caused by climatic changes, etc. In this connection, we will continue to look towards the FAO as and when appropriate, for its intervention and facilitation.

In conclusion Mr. Chairperson, Tonga would like to acknowledge with gratitude the excellent support and assistance it has been receiving over the past year from the FAO through its Sub-regional Office based in Samoa, and looks forward to working more closely with the FAO on future interventions to ensure the best use of resources towards meeting FAO's mandates and to improve the livelihood of our peoples.

The meeting was suspended from 15.58 to 16.26 hours

La séance est suspendue de 15.58 à 16 h 26

Se suspende la sesión de las 15.58 a las 16.26 horas

PRESIDENTE

Los cinco minutos de receso se extendieron solos, aclaro que no fue el Presidente quien lo hizo. Estamos de nuevo en la Comisión II examinando el Tema 14: la Evaluación Externa Independiente de la FAO.

Para recordar a los distinguidos delegados y a los que se unen ahora lo que habíamos conversado antes de este receso, tenemos el documento C 2007/LIM/19 donde aparecen 13 párrafos, como proyecto de resolución de la Conferencia sobre el procedimiento a seguir en relación a la Evaluación Externa Independiente de la FAO.

Entre el Grupo de Amigos del Presidente Independiente del Consejo se llegó a un acuerdo amplio sobre 12 de esos 13 párrafos. El párrafo ocho aparece como una propuesta de párrafo del Presidente Independiente del Consejo que no disfrutaba del mismo nivel de consenso de los anteriores. Fue en ese momento cuando la presidencia decretó un receso de cinco minutos, que se extendieron, para realizar consultas. El resultado de esas consultas es el siguiente:

El Sr. Aamir Khawaja de Pakistán, quien está actuando como Coordinador General del Grupo de los 77, me indicó los acuerdos a los que los coordinadores del G77 habían llegado sobre este tema. Yo le voy a pedir muy simplemente al Sr. Khawaja que tome la palabra para compartir con la Comisión II los resultados de esa coordinación.

Aamir Ashraf KHAWAJA (Pakistan)

I have been approached by a number of countries from the G77 and China in Pakistan's capacity as Vice Chair of the G77. I would like to convey to yourself and the Plenary that the G77 and China wishes to thank the Independent Chairperson of the Council and yourself for pursuing discussions on the text of the IEE Resolution. In our opinion a great deal has already been done in this direction. However, the feedback that I have from a number of countries within G77 and China, is that they are not yet in a position to take a definite view about the proposed paragraph 8.

I understand that discussions are ongoing and considerations with the capitals are taking place. We would need some more time before we can take it up again.

CHAIRPERSON

So, with the wording of the Draft Conference Resolution on the IEE not yet agreed by this Commission, and with ongoing consultations still pending on paragraph 8, as per Mr Khawaja's intervention, I would propose the following : that negotiations on the unresolved paragraph 8 be continued in The Friends of the Chair of Council, as kindly offered by Professor Noori, who will be expecting the delegations to come to him to ask for these arrangements.

The Friends of the Chair group, on the budget level, which will be chaired by myself will meet here for the following hour from 4.30 pm to 5.30 pm, as we have not yet had time for nominations to be presented by all Regional Groups. I will propose however, to meet for an hour now, all of us

as Friends of the Chair, not as Commission II, not to repeat what we already said in the morning, but to narrow down a discussion on trying to seek a consensus on the level of the budget.

I would hope to reconvene Commission II on Thursday afternoon at 5.30 pm to adopt the Report of the Commission at that time, including the Conference Resolution on the IEE and the Budget Resolution.

This will leave us, to make myself absolutely clear, one hour of work on the budget this afternoon.

We will reconvene, as Friends of the Chair, tomorrow morning at 9.30 am in this room for that same purpose. Between tonight and tomorrow, we will see if the state of negotiations wants smaller groups or if we should continue all as Friends of the Chair. Then we will have time in the course of the day tomorrow always striving not to have any concurrent meetings, IEE on one hand, the budget on the other so they are consecutive, not concurrent and not at the same time. We will have time then during tomorrow and Thursday up until 5.30 pm as Friends of the Chair to finalize consensus on both issues. And again we will reconvene on Commission II on Thursday afternoon, as I said at 5.30 pm.

This is clearly dependent on the work done on the group of Friends of the Chair and thus any change in this timing that I have explained will be notified to you through the pigeon holes, on the television monitors that are located throughout the buildings and through the regional group leaders.

The meeting rose at 16:30 hours

La séance est levée à 16 h 30

Se levanta la sesión a las 16.30 horas

CONFERENCE CONFÉRENCE CONFERENCIA

**Thirty-fourth Session
Trente-quatrième session
34º período de sesiones**

**Rome, 17 November – 24 November 2007
Rome, 17 novembre – 24 novembre 2007
Roma, 17 de noviembre – 24 de noviembre de 2007**

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

23 November 2007

The Fourth Meeting was opened at 11:26 hours
Mr Mario Arvelo Caamaño,
Chairperson of Commission II, presiding

La quatrième séance est ouverte à 11 h 26
sous la présidence de M Mario Arvelo Caamaño,
Président de la Commission II

Se abre la cuarta sesión a las 11.26 horas
bajo la presidencia del Sr Mario Arvelo Caamaño,
Presidente de la Comisión II

ADOPTION OF REPORT OF COMMISSION II (C 2007/II/REP/13-Add.1;
C 2007/II/REP/14-Add.1)

ADOPTION DU RAPPORT DE LA COMMISSION II (C 2007/II/REP/13-Add.1;
C 2007/II/REP/14-Add.1)

APROBACIÓN DEL INFORME DE LA COMISIÓN II (C 2007/II/REP/13-Add.1;
C 2007/II/REP/14-Add.1)

PRESIDENTE

Estamos esperando unos segundos por algunos de los miembros del secretariado, necesitamos hacer unas consultas técnicas muy rápidas así que por favor ruego a todos un poquito de paciencia, no será más de uno o dos minutos.

Gracias a todos por su paciencia. Como indicó el Presidente de la Conferencia, estamos aquí reunidos en la Comisión II, bajo la presidencia de quien habla. Quiero muy rápidamente dar las gracias a todos los Miembros de la Comisión II de esta Conferencia por el trabajo que hemos realizado. Comenzamos el lunes en Plenaria formal, continuamos trabajando, haciendo grandes avances en los temas de nuestra agenda, conformamos un equipo de trabajo informal, un Grupo de Amigos del Presidente de la Comisión II, que también sesionó en Plenaria, alcanzando importantes avances.

Luego se hizo necesario conformar un grupo más pequeño de Amigos del Presidente de la Comisión II y concluimos nuestros trabajos anoche, mejor dicho, esta mañana temprano estuvimos aquí hasta las 3:30 horas, de madrugada y alcanzamos el más amplio consenso que pudimos. Muchos de ustedes participaron, tanto en el Grupo extendido de Amigos como en el Grupo reducido de Amigos y la propuesta es muy sencilla. Estaríamos considerando ahora como Comisión II en Plenaria, formalmente, el documento C 2007/2/REP/13-Addendum 1. Para que todos lo tengamos claro, ese documento contiene dos resoluciones, han sido fusionadas en este solo documento. Uno se refiere a las consignaciones presupuestarias para el bienio 2008-2009 y el otro, que ya he dicho, está adjunto al anterior, se refiere a la reposición de la Cuenta Especial de Reserva.

De nuevo, el documento que debemos tener en las manos es el C 2007/2/REP/13-Addendum 1. En caso de que no haya ulteriores comentarios sobre este tema, que ha sido suficientemente agotado durante toda la semana, estaría la Comisión II transmitiéndolo a la Plenaria de la Conferencia. Se decide.

Adopted

Adopté

Aprobado

En estos momentos voy a ceder la Presidencia de la Sesión, concluimos sobre este tema los trabajos de la Comisión II, como ha quedado ya decidido e invito al Sr. Presidente de la Conferencia a continuar el tratamiento de este tema ya como Conferencia general.

The meeting was suspended from 11.34 to 12.34 hours

La séance est suspendue de 11.34 à 12 h 34

Se suspende la sesión de las 11.34 a las 12.34 horas

PRESIDENTE

Como indicó nuestro Presidente de la Conferencia estamos de nuevo sesionando como Comisión II, es una de las magias de la diplomacia, poder ser Comisión y Conferencia y todo sin levantar sesiones y sin movernos de aquí. Así que tenemos delante de nosotros un proyecto de resolución que hemos de enviar a la Conferencia, es decir, hemos de enviar en este mismo lugar y dentro de unos minutos a la aprobación de todos ustedes, no ya como Comisión II sino como Conferencia para el voto.

Lo que vamos a hacer es completar este trabajo del documento al cual estoy haciendo referencia que es el C 2007/2/REP/14-Addendum 1, titulado Seguimiento de la Evaluación Externa Independiente de la FAO. Para refrescar la memoria de todos los que hemos venido participando en este proceso y para información de los distinguidos ministros y dignatarios que han viajado desde las capitales, que este es un proceso muy complejo, muy interesante, que ha venido teniendo lugar en esta Organización desde hace ya varios meses.

La preparación de este Proyecto de Resolución que tenemos en las manos ha sido llevado adelante por un grupo informal, un grupo de Amigos del Presidente Independiente del Consejo, que es el Profesor Dr. Noori quien se encuentra aquí en el podio con nosotros. Quiero que estas palabras sirvan de reconocimiento al Presidente Independiente del Consejo por el enorme trabajo que ha venido desempeñando a lo largo de varios meses. En este proceso todas las regiones han tenido una participación activa, constructiva y positiva y los trabajos continuaron esta madrugada hasta casi las 4:00 horas, cuando tuvimos una última sesión.

Como ustedes bien saben, la última sesión informal tuvo lugar detrás de las puertas principales de entrada hace algunos minutos en donde las diferentes regiones con un espíritu de colaboración similar al seguido desde el principio, pudimos ya concluir esta resolución. Obviamente, como esta última sesión informal tuvo lugar hace unos minutos, su contenido y solución final no aparece en el documento que tienen en sus manos.

Voy a pedir que vayamos al párrafo 9 del Proyecto de Resolución que tiene 13 párrafos en total de los cuales los cuatro primeros son párrafos introductorios, del quinto en adelante son párrafos de decisión y el noveno se refiere al nombramiento de las autoridades que dirigirán los trabajos del Comité de la Conferencia.

Las diferentes regiones, y de hecho todos los Países Miembros de este grupo informal, han acordado el nombre y precisamente del Presidente del Consejo, el Profesor Dr. Mohammad Saeid Noori Naeini para presidir. En este momento él querría simplemente y para información de todos, comentar que la sesión en la cual (damos la bienvenida al Director General que se une al podio, bienvenido Dr. Diouf) se debatió el párrafo 9, como lo ven ustedes por delante, el Presidente Independiente del Consejo cedió la dirección de los debates en el Grupo de Amigos, quienes hablan en este momento, para evitar cualquier tipo de conflicto.

Bajo la presidencia de quien habla, el Grupo de Amigos acordó el nombre del Presidente del Consejo como Presidente del Comité de la Conferencia, entonces aquí vemos que hay un espacio en blanco, ese espacio en blanco se refiere a la Vicepresidencia del Comité de la Conferencia y me complace indicar que estamos ya en posición de llenar ese espacio en blanco, no con uno, sino con dos nombres, así que estaríamos colocando aquí dos nombres y en lugar de decir Vicepresidente diríamos Vicepresidentes del Comité, entonces los dos nombres son el de su Excelencia la Embajadora Agnes van Ardenne – van der Hoeven quien es la Representante Permanente de los Países Bajos ante la FAO y de su Excelencia el Embajador Wilfred Joseph Ngirwa, quien es el Representante Permanente de la República Unida de Tanzania ante la FAO. Si estos nombres cuentan con la aprobación de todos, estaríamos transmitiendo el documento contenitivo del Proyecto de Resolución sobre el seguimiento a la Evaluación Externa Independiente de la FAO a la consideración del pleno de la Conferencia. No veo que nadie desea hacer uso de la palabra de modo que así queda aprobado. Muchas gracias. Invitaré ahora al Presidente de la Conferencia, concluidos los trabajos de la Comisión II, a tomar de nuevo la dirección de los debates ya no de la Comisión II que aquí se concluye, sino de la Conferencia General. Gracias.

Adopted

Adopté

Aprobado

The meeting rose at 12:41 hours

La séance est levée à 12 h 41

Se levanta la sesión a las 12.41 horas

