

Rome, Roma, 2001



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-first Session  
Trente et unième session  
31° período de sesiones**

**Rome, 2-13 November 2001  
VERBATIM RECORDS OF MEETINGS OF COMMISSION II  
OF THE CONFERENCE**

**Rome, 2-13 november 2001  
PROCÉS-VERBAUX DES SÉANCES DE LA COMMISSION II  
DE LA CONFÉRENCE**

**Roma, 2-13 de noviembre de 2001  
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DE LA CONFERENCIA**



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**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>FIRST MEETING OF COMMISSION II PREMIÈRE SÉANCE DE LA COMMISSION II PRIMERA SESIÓN DE LA COMISION II</b>
<b>5 November 2001</b>

The first meeting was opened at 10.15 hours  
Mr Carl-Josef Weiers  
Chairman of Commission II, presiding

La première séance est ouverte à 10 h 15  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la primera sesión a las 10.15 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

## CHAIRMAN

Welcome to the first meeting of Commission II. First of all, I would like to express my thanks and gratitude to the Membership of FAO who have put their trust in me and elected me to chair the 2001 Commission II meetings.

In this Commission we are charged to reporting back to the Plenary our recommendations on the Programme Implementation Report 1998-1999, the Programme Implementation Report 2001 and the Programme of Work and Budget 2002-2003. We will be reporting on the latter item to the Plenary this Friday morning. Our Report on the two other Items is scheduled for next Monday afternoon.

I am delighted to have been informed that, by consensus, the first Vice-Chairperson of this Commission will be Mr Ahmed Mustafa Hassan from the sunny-side of this world, from the Sudan, and the second Vice-Chairperson will be Mrs Lan Hoang from the frozen shores of Canada. I would ask you to confirm this by acclamation please.

*Applause*

*Applaudissements*

*Aplausos*

I have also been informed of the membership of the Drafting Committee and I would like to ask the Secretary to read out the list of the members of the Drafting Committee.

## SECRETARY

The membership of the Commission II Drafting Committee under the Chairmanship of Afghanistan, will include the following additional members: Angola, Australia, Belgium, Brazil, China, Kenya, Republic of Korea, Kuwait, Haïti, Sweden, Thailand and the United States of America.

## CHAIRMAN

I hope this is also agreeable. Thank you.

Let me make just two or three remarks. I am a great friend of short remarks and statements and I will also do this myself. I would very much like to invite you to do the same so that we can stay within our given timetable and can also achieve our results in time.

I would like to thank the Secretariat for the good cooperation up to now and I have the feeling that this will also continue during the coming five days. I would also like you observe the Timetable so that we can start more or less punctually.

With these matters completed, I would like to turn to the first substantive item on our Agenda, the Programme Implementation Report 1998-1999.

## PART II - PROGRAMME AND BUDGETARY MATTERS

### DEUXIÈME PARTIE - QUESTIONS RELATIVES AU PROGRAMME ET AU BUDGET

### PARTE II - ASUNTOS DEL PROGRAMA Y EL PRESUPUESTO

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**10. Informe sobre la Ejecución del Programa 1998-99** (C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4)

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

You are now going to consider one of two very different accountability reports, the Programme Implementation Report; the other *post-facto* reporting mechanism is the Programme Evaluation



Report which you will be considering this afternoon. It is perhaps useful to make a distinction between these two Reports which serve quite different purposes.

**CHAIRMAN**

In the meantime two countries have put up their signs. Do they have to do with the subject or with general items? I would first like to ask Brazil to take the floor, and then China.

**Flávio Celio GOLDMAN (Brazil)**

It has to do with an item on the Agenda and we would like to tackle it before we address the substantive issue of this morning.

As you will recall the Council recommended the setting up of a Working Group to study ways of alleviating the burden on Members as a result of changes in the Scale of Contributions. Before we address the very important substantive issues of the Agenda for this Commission, we would like to have clarification from you or the Secretariat as to when we are going to begin to work on this issue. We believe this is a very important issue and we would like to begin to work on it as soon as possible so that when we reach next Monday for the adoption of the Scale, we will have a very clear scenario of the options that we have before us.

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

Before we discuss any substantive item on Commission II, just as the Brazilian delegate, China would very much like the Secretariat to clarify the issue of when are we going to start this Working Group on the burden, as a result of having the new Scale of Assessments, because it was the decision of the Hundred and Twenty-first Session of the Council to set up this Working Group. We regret to notice that it has been several days and, the Council has ended its Session, and this Working Group is yet to be set up.

If my memory does not fail me, this issue was also brought up in this morning's session of the General Committee. In order for the Members to become familiar with this situation, I would like to read part of the summary report CL 121/REP/6-Corr.1. I will read part of this summary in this document. In paragraph 7 it is says: "Several Members were not in agreement with the proposed Scale, given the increase in contributions for many of the developing countries. The Council recommended the setting up of a Working Group to study ways of alleviating the burden on Members as a result of changes in the Scale of Contributions."

So in order to better facilitate research or study on the part of the Member Nations on the issue of burden that is placed on the Member Nations, especially the developing countries, as a result of using this new Scale of assessments, the Chinese delegation strongly urges FAO to set up this Working Group as soon as possible. In this way, Member Nations can, before the adoption of this Resolution regarding the Scale of Contributions, have the opportunity to study different scenarios regarding this new Scale of Assessments.

**CHAIRMAN**

Any other remarks on this subject of setting up a Working Group in connection with the Scale of Contributions? If this is not the case, I would like to give the floor to the Secretariat and to Mr Wade who could possibly clarify who and when and what is to be set up.

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

This was a recommendation from the Council to the Conference to establish the Working Group and I confirm that it was, in fact, raised at the General Committee this morning. I understand, since the meeting, it has been decided that the best technique would be to include the request in the Report of the General Committee. Then, when the General Committee Report is adopted, the Chairman of the Conference would be effectively authorized to establish the Working Group and presumably agree its membership on an informal basis with the Regions. That Group should be effective tomorrow sometime. It will, of course, be addressing an item which is on the Agenda of

the Plenary for next Monday - so it will be working to try and find a solution before the Scale of Contributions item is considered on Monday, 12 November.

**Flávio Celio GOLDMAN (Brazil)**

I thank Mr Wade for his information and I would like to request that this Commission be informed on the developments of the future work of this Working Group because I understand that most of the delegates who have been involved in this matter are the same who are in this Commission. That is the only point I would like to stress. We do hope that we can begin to work tomorrow at the latest because I think there are a number of countries who are interested in this issue, and it would be a real shame if we missed the opportunity to discuss it before Monday.

**CHAIRMAN**

I can summarize that you wanted to be informed of the decisions in the Plenary will be in regard to this subject. I would like to ask the Secretariat to find out what is happening in the Plenary on this item, and then we would immediately inform you here about any further developments.

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

As you know I mentioned the fact that the Commission will be, in fact, examining two important "accountability" reports. The first one, the Programme Implementation Report, this morning and the second one, the Programme Evaluation Report, this afternoon. There is an important distinction between the two which is worth bearing in mind when you are examining these Reports.

The Programme Implementation Report, which you have before you now, is defined by the fact that it is comprehensive, it covers all programmes of FAO. It is quantitative in the sense that deals with resource utilization and reporting of the outputs that we have produced; and it is limited to the timescale of one biennium, 1998-99.

The other document, the Programme Evaluation Report, is different in that it is instead selective; that is, each edition tends to cover about three programmes and two thematic topics but not trying to address all of FAO's work at one go. It concentrates on being qualitative in the analysis and trying to look at effects and impact and whether we are achieving what we set out to achieve and it usually examines a longer period. It normally examines a six-year period instead of the two-year period of the Programme Implementation Report.

I make this point so as to set the correct perspective on the scope of the Programme Implementation Report because otherwise, one might conclude that it is not qualitative in its analysis and that it does not address effectiveness which, of course, is correct. However, that is the intention as the reality is that a comprehensive report on FAO's activities would be extraordinarily long if it had to address the effectiveness of all activities proposed in the previous biennium's Programme of Work and Budget. Based on the length of a typical Programme Evaluation Report, we could expect a PIR to be five times longer than it is now if we tried to do that and that is assuming we had the manpower to produce it.

As regards the issue of "comprehensiveness", can I draw your attention to the fact that we have continued the practice of the last biennium which is to summarize the key outputs in the document itself but to also provide detail on the fate of all outputs which were originally planned in the Programme of Work and Budget 1998-99 on the FAO Website. Therefore, you can find a database which has all of the outputs we planned. You can select particular groups of them by criteria and you will see the status of each of those outputs and who is responsible for them if you are interested in following them up further. You can see what is happening - we are linking the Programme of Work and Budget to the Programme Implementation Report websites.

The overall results were good, particularly given the constraints faced. Despite, in particular, a major shortfall in support cost income of US\$ 10.4 million, we managed to bring down expenditure to arrive at a small surplus, which is quoted in the document as being US\$ 1.2 million or 0.2 percent under budget of US\$ 650 million.

This document was published before the final version of the accounts which were adopted at the Plenary on Friday. Therefore, there is some slight difference in the figures between the two. The final accounts show a variance US\$ 0.6 million that is US\$ 600 000 or 0.1 percent under budget.

While we actually had to cancel some outputs, we managed to make up for more than this number through additions to the programme, in the end delivering five percent more than planned.

We continued to make progress in cost reductions which directly affected field programme support costs, what we call: Administrative and Operational Support Costs, which in 1998-99 fell to an all time low of 10.7 percent of delivery. That is down from 14.1 percent in 1996-97 reflecting an absolute reduction of US\$ 10.9 million. This is an achievement which we consider to be significant and, of course, reflects on the efficiency-savings that have been made over the last three biennia.

Finally, there were several major achievements which have been summarized both in the Director-General's introduction and in the Executive Summary and recognized for their contribution to the international system and to development in general.

I would like to draw your attention to some other improvements. The document has been professionally edited and enjoys an enhanced presentation with two colours, etc., both of which I hope will make it more attractive and more readable for Members.

The Council examined the PIR in November 1999 and gave its general endorsement to the report.

In conclusion, the Director-General looks forward to hearing the comments of Members on the Report.

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

First of all, we would like to thank the Secretariat for distinguishing the difference between these two very important reports to the Organization; one is a comprehensive document and the other as a selective addition.

The United States has commented on this report at previous FAO meetings but would like to add several important remarks that may not have surfaced during other interventions, regarding how FAO is moving toward better implementation and evaluation integration, what we call the interweaving of the Strategic Framework, the Medium-Term Plan and the Programme of Work and Budget. These are all-important tools needed to plan and access FAO's programmes for the longer-term goal of enhancing food security.

The paragraphs in this 149-page Report that drew our attention are Field Programme Implementation, particularly, the Special Programme on Food Security. We look forward to the May 2002 Evaluation Report. It is important to make sure that these technical assistance expenditures have financial accountability and are reported accordingly for organizational performance.

Other areas of interest to the United States are budgetary transfers between Chapters and how they are reported, and administrative and operational support, that the Organization is able to conduct its business by continuing to hire the most qualified and then to promote. Retention is critical for continued organizational performance.

On the distribution of outputs by major programmes, we are interested in enhanced Fisheries and Forestry Programme delivery activities. They play an important role in food security. We appreciate the work of the Department as reported, particularly the role of aquaculture in rural development.

Savings and efficiency indicators in governance and transparency must continue. With regard to the recent success of the Telefood event in Seattle, the Organization should continue its wide review of such activities. Success should not override organizational discipline, monitoring for effective implementation of important food security strategies.

We see many new challenges and thrust areas which can easily be integrated into many Programmes of the Organization, such as the opportunities for uses of Information Communication Technology (ICTs), for instance, for foreign broadcasting for rural areas.

Furthermore, we can not overlook the importance of statistical data for effective Programme implementation, should there be reform of the intergovernmental groups, so that there is greater emphasis on the linkages between bio-technological developments and trade and food security implications of the commodity trade and follow-up to the World Food Summit Plan of Action. This could be a very important input for the World Food Summit: *five years later*.

FAO should continue the work of accessing HIV/AIDS implications for agriculture and rural development. Special attention should be focused on women, as agents in ensuring food security.

We would like to see more information and coordination on policy assistance, the important capacity building which the Organization prides itself on and is also reviewed in the Programme Implementation Report that will be reported on later.

How effective are the FAO Country Representatives? Are they operating at optimum efficiency and effectiveness for the Organization? We would also like to see how the Organization has integrated information technology, including the year 2000 compliance of upgrade of all FAO offices.

These questions and statements by the United States on the Programme Implementation Report cover some of the many important activities of the Organization. They are not meant to be negative, but constructive. It means that the Organization is moving to fine-tune implementation of activities to improve programming, planning, presentation and project accomplishments. We support improvements in the quality of programme indicators in this comprehensive Report on performance flaws, improvements and challenges.

**Alphonse CREUSEN (Belgium)**

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

The Programme Implementation Report is a central accountability document.

We welcome the new format, which represents a great improvement on the earlier versions.

The introduction by the Director-General foreshadows further adaptation of the format as the methodologies for the Medium-term Plan and the Programme of Work and Budget evolve.

We, for our part, will be looking for explicit reporting on the following topics: the delivery of the five Strategies to address Members' needs, identified in the Strategic Framework; the supporting Priority Areas for Interdisciplinary Activity (PAIAs), identified in the Medium-Term Plan; the so-called cross-organizational strategies, identified in the Strategic Framework and Medium-Term Plan; the efficiency improvements; and, finally, human resource management, which is the base for all FAO's work.

**Pedro Agostinho KANGA (Angola)**

Avant toute chose, j'aimerais vous féliciter de votre brillante élection à la Présidence de notre Commission. Mes félicitations s'adressent aussi aux autres Membres du Bureau et à M. Wade pour la présentation claire et précise de ce document que nous considérons très important. Malgré les maigres ressources qui lui ont été allouées, la FAO n'a ménagé aucun effort pour tenter d'accomplir les obligations qui lui ont été assignées. Le rapport sur l'exécution du Programme constitue un élément primordial pour l'élaboration de futurs programmes en général et de terrain en particulier. Ce rapport nous brosse les différentes activités réalisées et retardées et nous fournit des informations très utiles sur l'exécution du Programme ordinaire que nous considérons positif.

Mais nous sommes préoccupés de constater que les activités de terrain sont en diminution au détriment des situations d'urgence. Nous pensons que cela doit aller de pair pour maintenir le développement de la production agricole.

Cependant, nous nous félicitons de l'importance accordée à l'utilisation de l'eau, la production des terres, sa gestion intégrée, sans oublier le rôle joué par les femmes dans les activités sur la productivité des eaux.

Nous considérons le programme WAICENT le plus important, la plus importante source de l'information agricole mondiale. Il permet à la FAO de mettre à la disposition de ses Membres des informations détaillées et cohérentes sur ces programmes de terrain et beaucoup d'autres activités. A cet égard, nous encourageons la FAO de poursuivre son perfectionnement.

En ce qui concerne les semences, nous ne pouvons que nous féliciter de l'établissement des différents réseaux en Afrique, dans d'autres parties du monde et en particulier dans la région de la Communauté de l'Afrique Australe qui pourront intervenir en cas de besoin urgent et surtout de catastrophes.

Au paragraphe 136, il est stipulé que la technologie des nouveaux cultivars de sorgho à sucre résistants à la sécheresse a été transférée de la Chine en Zambie. Pourrions-nous connaître les résultats obtenus car ce produit constitue une alimentation de base dans mon pays, spécifiquement au sud où parfois sévit la sécheresse.

Nous sommes aussi très préoccupés par l'augmentation considérable des cas de tripanosomiase dans diverses parties du continent, plus particulièrement en Afrique. Dans ce document, le problème est simplement effleuré sans un programme de lutte pour son éradication comme le Programme pour la peste bovine qui sera atteint d'ici l'an 2010. On limite le PLTA à l'assurance de la coordination de la lutte internationale contre la tripanosomiase et sans décrire ce qui a été fait jusqu'à présent pour son éradication.

Nous souhaitons que le programme de lutte contre la tripanosomiase africaine soit aussi considéré une activité fondamentale au sein d'EMPRES, au même titre que la lutte contre le criquet pèlerin. Plusieurs méthodes de combat au vecteur de la tripanosomiase ont été expérimentées, telle que l'utilisation de l'insecte stérile dont les résultats étaient fabuleux. C'est le cas du Zanzibar en Tanzanie et de la Vallée du Rift en Ethiopie.

Ma délégation souhaiterait recommander à la FAO d'élaborer un Projet régional de lutte contre la tripanosomiase.

**Abdul Razak AYAZI (Afghanistan)**

Document C 2001/8 is well prepared and highlights the major achievements during the 1998-99 biennium.

As was stated by Mr Wade, we should not expect – this is a Report on actual project output – FAO to produce anything with respect to effects and definitely not with respect to impact in this Report. We look at it as purely an output oriented report. Effects and impact obviously fall within the area of the Programme Evaluation Report.

For each Programme covered under Chapter II, eight Programme outputs were identified and, for each output, some delivery in terms of quantity is presented. This quantitative performance is followed by a brief description of major achievements for each Programme. Table 2.12, on page 26, shows that delivery was 5.3 percent higher than the output envisaged in the Programme of Work and Budget. However, the performance was uneven among the Programmes under Chapter II. In about one half of the Programmes, output delivery fell below the level envisaged in the Programme of Work and Budget. In fact, in one Programme, 2.2.3, Agriculture and Economic Development Analysis, output delivery was less than 50 percent, while in Major Programme 2.3, Fisheries, output delivery was 16 percent higher.

While the output is lower, perhaps the Report should have said what was the reason for this. My impression is that probably there was a problem of staff recruitment, that could not be filled. In any case, among the eight output performances, one performance was extremely poor, and that was Methodology and Guidelines. Practically, all the Programmes did not achieve the target. It was 16 percent lower in one Programme. That is Programme 2.2.3, Agriculture and Economic

Development Analysis. Performance was also much less satisfactory with respect to the output on training. In fact, some of the Programmes, particularly Crops, showed a very poor performance.

With respect to the Field Programme, Table 2.1, on page six, shows a 3.3 percent increase in expenditure during the 1998-99 biennium, compared with the previous biennium. This increase is entirely due to emergencies, as was pointed out by Angola. The figure for delivery, as given in Table 2.6, on page 15, is 13 percent higher than the expenditure figure for Table 2.1, on page six. I do not know what is this difference. It is probably an accounting problem.

Table 2.4, on page 13, tells us that for each US dollar of the Regular Programme of Chapter II, the corresponding field expenditure is US\$ 1.8. However, if the emergency component is taken out, this figure falls to US\$1 Regular Programme, compared to US\$ 0.90 of the field activities. Thus, the ability of Chapter II to generate Technical Cooperation Projects remains a problem.

Paragraphs 42 to 44 explain the rapid rise in time spent by Professional staff of the Regional and Sub-regional Offices and a modest increase in the time spent by Headquarters' staff, in support of the Field Programme. This is also confirmed by Table 2.12, on page 26, which shows that the delivery of support to Member Countries and the field was 22 percent higher than what was envisaged in the Programme of Work and Budget. This development is indeed very encouraging. However, it would have been more useful to back up this encouraging development by demonstrating the preliminary pay-off of this effort, such as the number of programming missions undertaken or the number of projects prepared in the pipeline.

Very useful information is provided on field operations, from page 118 to 123. Here, a few issues could be highlighted. One is that the sharp decline in delivery to LDCs, from 30.5 percent in 1996-97 to 22.6 percent in 1998-1999, is a bit worrying.

Secondly, the sharp fall in FAO's share of the UNDP Programme is really regretted.

Thirdly, the absence of separation between emergencies and technical assistance *per se* distorts the delivery of field programmes by the technical programmes of Chapter II. For example, 43 percent of the total field delivery is attributed to Programme 2.1.2, Crops, because items of emergencies often include seeds, pesticides and other farm inputs. One drawback of this section is the lack of information on the number of on-going field projects and their distribution by regions, the distribution of expenditures by various items, like experts, equipment, travel and consultants.

I keep the records of FAO with respect to field activities. Last night, I was looking at one of the reports that was submitted to the Fifteenth Session of the FAO Conference in 1969. That document has more data on field programme number one than is presented now.

I should also like to say a few good things about the work of the Investment Centre. This is a Programme of which FAO should be very proud. However, there are also a few things that need to be of concern.

One is that the number of projects prepared under the World Bank is much less than what was in the previous biennium. Another aspect is that there is a shortfall of investment by regional banks and IFAD, which should also be of concern to us.

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

Comme les intervenants précédents, la Suisse remercie également le Secrétariat pour le rapport sur l'exécution du Programme 1998-99, qui est nettement meilleur que les rapports des années précédentes. Il a pris en compte de nombreuses recommandations qui ont été faites par les Pays Membres au cours des cinq dernières années.

Concernant les activités de la FAO, nous observons que des progrès ont déjà été réalisés dans la présentation des aspects qualitatifs des activités. Mais des améliorations peuvent encore être apportées. Il s'agirait en particulier de fournir plus d'informations sur les résultats économiques, sociaux et écologiques des activités entreprises et sur leur utilisation. Ceci permettrait de mieux faire ressortir leur contribution à la réduction de la pauvreté et, par là, au développement durable dans les divers pays.

Concernant le Programme spécial pour la sécurité alimentaire, nous avons également constaté des améliorations qui ont été apportées sur le terrain depuis la première phase. Nous apprécions en particulier l'approche multidisciplinaire et participative, la prise en charge nationale et les partenariats, notamment Sud-Sud, en faveur du développement. Cette nouvelle approche liée à l'utilisation de techniques appropriées, en particulier celles de l'eau à faible coût, permettent d'améliorer l'accès à la nourriture et d'assurer ainsi la sécurité alimentaire. Six années se sont déjà écoulées depuis le lancement de ce Programme spécial pour la sécurité alimentaire et c'est avec intérêt que nous attendons les résultats de la mission en cours sur l'évaluation de ce Programme.

Nous sommes favorables à la publication des contributions financières des donateurs dans le cadre du Programme spécial sur la sécurité alimentaire dans le tableau à la page 119. Mais nous aimerions aussi que la même transparence des informations soit appliquée aux contributions des donateurs aux fonds fiduciaires qui représentent 272 millions de dollars E.-U., c'est-à-dire plus que trois fois le montant du Programme special sur la sécurité alimentaire. Nous demandons, et ceci n'est pas la première fois, au Secrétariat de publier le détail de ces informations dans un tableau supplémentaire au prochain rapport sur l'exécution du Programme.

**Mrs Mantho MOTSELEBANE (Lesotho)**

Lesotho would also like to commend FAO for producing this informative report.

The decentralization of FAO programmes and its personnel has helped a lot in improving what FAO stands for at a country level, in addition to smooth implementation of FAO-assisted projects.

FAO is able now to clarify its operations to the region and country offices. Steps are now under way for FAO's engagement in HIV/AIDS reduction activities and counselling of those affected, as well as the appropriate mechanisms in Lesotho.

We would also like to commend FAO for developing FIVIMS and we are indeed starting to make use of the new system.

**Armando CASADO CASTRO (Cuba)**

Primero que todo quisiéramos felicitarle por su elección para presidir los trabajos de esta importante Comisión.

Quisiera referirme al sistema de contratación del personal de esta Organización. Teniendo en cuenta que la FAO aplica la escala de contribuciones del sistema de Naciones Unidas, mi Delegación quisiera solicitar a la Secretaría la realización de un estudio comparativo sobre el procedimiento de contratación de personal y presentar sus resultados al Consejo en su primera sesión del próximo año.

**Grégoire NKEOUA (Congo, République du)**

Nous voulons d'abord vous féliciter pour votre élection et également féliciter le Secrétariat pour la qualité du document qui nous a été présenté. Nous voulons également féliciter la FAO pour les actions qui ont été engagées au titre de ce Programme de travail 1998-99 et ce, en dépit d'un budget assez austère.

Nous regrettons le fait que les nombreuses calamités naturelles ou des conflits armés aient fait que la FAO engage beaucoup de fonds au titre du Programme d'urgence et ce, naturellement, au détriment du Programme de terrain.

En ce qui concerne le Programme des forêts, nous nous félicitons de l'action qui a été menée par la FAO en ce qui concerne l'élaboration et l'application des critères de gestion durable des forêts, mais nous souhaitons que la FAO s'implique plus et qu'elle joue un rôle de coordonnateur, étant donné que beaucoup d'initiatives sont en train d'être prises, et cela permettrait d'avoir une cohérence dans ce processus mondial.

En ce qui concerne l'évaluation des ressources, nous félicitons également la FAO pour l'effort qui a été accompli de manière à informer les pays sur les potentialités ligneuses. Cependant, nous souhaitons que des technologies beaucoup plus modernes soient mises en œuvre ainsi que la

formation des cadres. Nous avons constaté qu'en ce qui concerne par exemple notre pays, nous avons été obligés de nous servir des données de 1990 pour faire une évaluation des ressources forestières. Comme vous pouvez l'imaginer, cela n'a pas pu nous permettre de donner des informations très adéquates, étant donné le phénomène de destruction des forêts dû essentiellement à l'agriculture itinérante et également à l'exploitation du bois pour les besoins d'énergie, étant entendu que l'énergie domestique est couverte à 90 pour cent par le bois de feu.

Voilà les quelques préoccupations que nous avons sur ce document.

**Mohamed Said Mohamed ALÌ HARBI (Sudan) (Original language Arabic)**

First of all, I wanted to congratulate you for your election to the Chairmanship of this Commission. It is an essential Commission within the general Conference, because it acts as the link between the programme and the financial appropriations for this biennium.

I would like to thank the Near East Group that has suggested the candidature of the Secretary of State for Animal Resources as the first Vice-Chairman of this Commission too.

I would also like thank the Secretariat for the documents that have been submitted, and I would like to thank Mr Wade as well. I have been very much aware of all of his excellent work as I worked alongside him in the Finance Committee.

My comments were very much in line with what the Angolan delegate said. We very much agree with the grassroots activity for animal resources, and we very much want to highlight the role of women in rural development as well. This is something that has been very much taken on board in my country. We are also in favour of much more intense activities for the fight against epizootic disease. We think there has to be a continuation of activities against rinderpest.

The Vice-Chairman of the Commission is the Director of the project on rinderpest, and I hope that this is a project which will continue over time. I hope that you will adopt the draft resolution submitted by the Africa Group to fight against trypanosomiasis and the tsetse fly. This is a scourge which affects both animals and human beings and so there is an indirect connection to food security. This is why it is a project that has to be considered a priority, particularly in terms of fighting disease and such scourges in Africa. We are in favour of all activities to fight diseases that reduce efficiency of animal production.

I once again would like to reiterate how important the work of all this Commission is. I think, under your Chairmanship, we are going to be able to really contribute to the success of this Commission.

**Mme Ivone Alves DIAS DA GRAÇA (Gabon)**

La délégation gabonaise vous félicite pour votre élection à la Présidence de notre importante Commission et a plaisir à vous voir diriger nos débats, bien que comme voisin de table, votre absence se fera sentir.

La délégation gabonaise remercie le Secrétariat pour cet excellent document et sa présentation, et nous l'approuvons. Nous félicitons la FAO pour le travail accompli. Nous aimerions juste faire une brève remarque. Tout comme la délégation de l'Angola, nous voudrions en savoir plus sur le Programme de lutte contre la trypanosomiase africaine, système d'information PLTA-SI évoqué à la page 55. En effet, cette maladie qui sévit dans 37 pays africains et affecte gravement la santé humaine et animale mérite une attention particulière. A cet effet, les Chefs d'États de l'Organisation de l'unité africaine ont élaboré récemment un Plan d'action pour une campagne d'éradication de la mouche tsé-tsé et de la trypanosomiase en Afrique et, tout comme la délégation du Soudan, nous espérons que la FAO pourra soutenir ce projet si important. A cet égard, nous aimerions savoir ce qui a déjà été fait pour lutter contre ce fléau.

**Adnan BASHIR KHAN (Pakistan)**

Allow me to congratulate you on your election to the Chair of this Commission. Allow me also to congratulate the Vice-Chairmen.



Let me thank Mr Wade on his, as usual, concise introduction to this agenda item. We appreciate the distinction he has drawn between the two important oversight documents, that is the Programme Implementation Report and the Programme Evaluation Report. However, we do believe that ways and means could be found to add an additional dimension of indicating, at least, the direction of effectiveness or the direction of impact in this document, without making it lengthy and without necessarily treading on the ground to be covered by the Programme Evaluation Report.

First of all, let me say that we fully support the statement made by our senior colleague, Mr Ayazi on most of the aspects of the Report and I need not go into these again.

We congratulate the Secretariat for the finalization of the Strategic Framework . We have seen now, in the Programme of Work and Budget document and even in the Medium-Term Plan, how this Strategic Framework is unfolding and adding a new strategic dimension to all the planning of the work of FAO.

We also congratulate FAO for introducing the State of World Food Insecurity for the first time.

We have been emphasizing field programmes throughout and it is heartening to note that the Special Programme for Food Security has been expanded to approximately about 55 countries. We in Pakistan have had a wonderful experience with the Special Programme for Food Security introduced there. We have seen a tremendous increase in the yields of the pilot projects that were started under the Special Programme of Food Security. I can inform this august gathering that Pakistan is in the process of replicating these pilot activities in a hundred additional villages all over the country.

In our evaluation, in our consideration, this is already a success and that is the kind of impact direction that I hoped to have seen in a box format, perhaps, within the Programme Implementation Report.

FAO also undertook decentralization during the period. We would have welcomed some indication of effectiveness of impact direction of decentralization in the Report.

We, of course – and this is an on-going debate – consider this Zero Nominal Growth constraint that has been placed on FAO's budget for the last three biennia needs to be gotten over with. We need to resolve this matter and it will be under your leadership that we would be considering this and hope to move away from this trend, which has been constraining FAO.

Finally, one last point is on efficiency savings. For efficiency, we see many Professional and staff posts, which have been abolished during this biennium. Again, yes, we have introduced efficiencies. We do not know the impact; we do not know the effect. We really cannot say whether the Programme has suffered on account of these or whether FAO has been able to really absorb this efficiency together with achieving effectiveness.

**Mme Wafá EL-DIKAH (Lebanon) (Original language Arabic)**

First of all, Mr Chairman, I would like to associate myself with previous speakers in congratulating you upon being elected to chair this Commission, which is a very important Commission, as we all know. May I say that the document that has been submitted to us is a very sound one and innovative compared to previous years. We welcome the constant improvement of this document, which shows that we are going from strength to strength.

I would like to make a few points on some of the major features in the document. As other delegates have said, we do regret diminishing field activities. We are worried about this because we really need adequate programmes for food security.

As to training, we are concerned by the imbalance when it comes to the distribution of training programmes over the period being considered, and in particular what is on page 29. I would like to know whether it is for budgetary reasons that there has been such an imbalance in distribution; the Middle East has only received 12 percent of training programmes. Should we ascribe this to

the fact that countries in the Near East have not made requests going beyond that 12 percent, or has it to do with an austerity programme?

Quality programmes and programmes pertaining to gender equality seem to us to be important in this context, as is assistance to women in producing foods and assisting women in earning enough income to survive, and more support, too, on the operational front to Regional Offices.

Finally, we would like to stress the importance of the technology transfers referred to in the document, especially as regards the further development of the sort of programmes I referred to, because these are vital to boost food production and hence to give us better food security.

**Deeptha KULATILLEKE (Sri Lanka)**

Sri Lanka wishes to congratulate the FAO Secretariat for presenting this informative document. Having noted the contents of paragraph 134, under Crop Management and Diversification, we request more FAO attention and support to the development of price-based value-added products in addition to the promotion of development of hybrid-rice varieties. There is a reason for this because small countries like Sri Lanka which are growing rice and, at the same time importing wheat cannot afford to absorb the high cost of import bills on wheat flour. We are also thankful for the very precise and analytical presentation on TCP Programmes.

Sri Lanka has experienced some bottlenecks with the introduction phase of TCP project proposals during the period under review. That is the reason for our request for a more proactive role by the FAO Representatives at country level.

**Sra. María Eulalia JIMÉNEZ DE MOCHI ONORI (El Salvador)**

Con relación a este informe de ejecución, la delegación de El Salvador quisiera reiterar su respaldo a las principales contribuciones realizadas por la FAO en pro del desarrollo sostenible y la seguridad alimentaria, tales como el PESA y la Estrategia para la Seguridad Alimentaria y la Equidad de Género.

Nos preocupa, sin embargo, un poco que en el período que estamos examinando no pudiesen ser atendidas todas las solicitudes de TCP presentadas, lo cual se señala en el párrafo 434 de nuestro documento, excluyendo, claro está, aquellas que no cumplían con los requisitos; sin embargo, nos parece que el porcentaje es todavía un poco elevado, por lo cual quizás la obtención de los recursos pertinentes nos podría permitir atender estas solicitudes ya que nuestra delegación respalda plenamente el TCP.

Por otra parte, la Delegación de El Salvador comparte la propuesta hecha en esta sala en su momento por el Delegado de Cuba, sobre la importancia de contar con un estudio comparativo relativo a la contratación del personal en FAO y en Naciones Unidas, el cual tal vez pudiésemos tenerlo para el próximo Consejo.

**Mrs Wafaa Mohamed YOUSSEF (Egypt) (Original language Arabic)**

In the name of God the most merciful, the compassionate.

We commend you upon your election to the Chair of this Commission, and we thank the Secretariat for the very good presentation of this important document.

We support the operational programmes which need focus. This applies to all the various scourges, the various diseases and, in particular, Rinderpest.

On the Special Programme for Food Security, we have, furthermore, a plan of action for the Wadi Gaded area in terms of water resources and similar projects in other areas to promote the rational use of water.

We would like to stress the importance of the role of women in sustainable development and in food security. We support Technical Cooperation Programme projects which we feel are extremely valuable to developing countries.

**Percy Wachata MISIKA (Namibia)**

Let me start by congratulating you on your election to the helm of this august house. Secondly, let me also thank Mr Wade for presenting a well-prepared, clear and comprehensive Report. Indeed, like others have said, this Report is a significant improvement from the previous reports we have considered in these sessions.

Coming to the issues under consideration at this Session, we consider that there is a need to strengthen and expedite FAO's work on developing an international understanding which we hope will become a legally-binding treaty or convention for dealing with illegal, unreported and unregulated fishing. The lack of such a legal instrument is, at the moment, a call for concern, as there is exploitation of marine resources in our waters.

Secondly, we are encouraged to note the unprecedented and unparalleled expansion of the Special Programme for Food Security to developing countries, having been operational in 55 countries by 1998-99, with new proposals being reported to having been formulated for an additional 22 countries. Namibia hopes that, one day, we shall also be benefiting from this Programme.

We also welcome and appreciate CODEX standards and the quality control systems in relation to international food trade and the implementation of the WTO Agreements. While appreciating this noble development, we are concerned about the liberty that Member Nations have enjoyed so far with regard to the adherence to such systems and standards. More and more, we see some countries demanding more stringent standards and more complex control systems, which are way above the international CODEX standards and control systems.

This trend is most worrying, as it places a heavy burden on developing countries like Namibia to meet such standards, only to discover that they are not good enough for accessing markets in some of the Member Nation. It is our hope that FAO will work together with other regulatory bodies on these standards, with a view to harmonizing them.

On the recruitment policy, Namibia supports Cuba in its call for an evaluation of this policy, especially with regard to regional and country representatives. Namibia pays its contributions yearly and sometimes promptly, however, it is disappointing to note that very few, if any, of the FAO Country or Regional Representatives hail from the southern African Sub-region. This point has been taken up several times by our former Deputy Minister with the Secretariat. Surely, the Region may be lacking capacity in several technical fields, but we are not convinced that we also lack capacity for such posts. It is our hope that future recruitments will rectify this imbalance.

On food programmes, we support Angola, Sudan and others who have called for the strengthening of these programmes in developing countries and especially in Africa, so as to ameliorate the food insecurity problems that we are encountering.

**CHAIRMAN**

There were a number of remarks and questions, mainly in field work activities; in the promotion of animal production and the fight against animal diseases, especially from Africa; the evaluation of the personnel situation and gender issues; and in the last statement, especially, also fisheries and food standards; and some more.

I would therefore like to ask the Secretariat if they could give us a first round of answers to your questions.

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

Thank you also to Members who also showed their appreciation for some of the improvements that we have been trying to make. We recognize, of course that we have further to go but it is good that you can see that we are trying to respond to your demands.

On the form of the document, we are working and continuing to improve the nature of this document and now there is an exercise underway to relate this part of the process to the Strategic

Framework and the Medium-Term Plan. As you have seen we have been revising the entire programming planning process in line with the commitment made in the Strategic Framework under the Implementation Plan. You have seen it in effect in the Medium-Term Plan and you have seen it in effect in the Programme of Work and Budget. You have yet to see it in the Programme of Implementation Report or the Programme Evaluation Report. That will lead us in some way to restructure the document, and I think it was recognised by both the United States of America, who was making this connection, and the European Union, who made some rather specific requests concerning the need for data on delivery on the five corporate strategies and the twelve strategic objectives, as well as on the Priority Areas for Interdisciplinary Action.

We will be taking this into account in the design of a new Report. We have to be a little bit careful. At the moment the structure of the allocation of resources is still as you see it in the Programme of Work and Budget by Programmes and Entities, and therefore the whole accounting system is still structured that way.

The information we have by Strategic Objectives or Corporate Strategy is statistically derived from the data given to us by the technical units concerned. A technical unit will say that I am working on this particular programme entity which has these objectives, and I believe that this contributes to a certain Corporate Strategy and a certain Strategic Objective.

Some entities contribute to more than one Strategic Objective so you get the need to split the resource allocations and we use the percentage basis for that sort of work. What I am forewarning you of, is that the output will in fact be statistically derived, rather than an accounting output, at least at this stage in evolution in the new programme model.

Other requests were made for information on efficiency improvements. We can certainly bring that in. I refer you to the document CL 119/INF/12 which is the latest report on efficiency savings since 1994 and to which we will be referring to later. But I agree, I think it might be a good thing to bring this into the PIR which more in the form of something which lasts historically and therefore we will have a permanent record of those savings.

I also noted that Switzerland requested for information by donor. I am sorry if you have asked for that before and we have not put it in the document. I know of no reason why this information was not provided. Obviously it is available.

Several countries regretted the decline in the Field Programme, and obviously the Secretariat shares that regret with you. For those of you that are interested in the subject, you may wish to be aware that it is under active consideration by both the Programme and Finance Committees at their Joint Meetings. The last report which was presented to them on the subject in September is JM 01 2/3, which is entitled *The Situation of Prospects for FAO's Field Activities*. This document describes what we see as being the problems and also what actions are being taken to try and revitalize the Field Programme. That is available on the web is anybody would like to pick it up and read it. Along with it, is another document called *Decentralization of Operational Responsibilities to the Country Level and to Technical Divisions*. This is related in a way because part of the reason for the recent decline in the Field Programme is considered to be a delivery problem arising from restructuring itself. Restructuring requires change with people taking on new responsibilities and initially there tends to be a dip in performance before you see the improvements that you are seeking. So that document is not irrelevant to the question of Field Programme decline.

It is also relevant to a question raised by the distinguished delegate of Pakistan which was that he would have like to have seen more on the effects and impact of decentralization. The Secretariat proposed and the Programme Committee accepted that one of the major evaluations to be carried out in the next cycle will in fact be on decentralization. I think it is now the appropriate time because we have seen two stages, firstly to the regional offices and secondly, to the Country Offices. That will be settling in during the current year and the beginning of next year, at which point I think a proper evaluation is very much in order and should be effective.

The request was made by the distinguished delegate of Cuba and supported by others including Namibia and El Salvador, for some form of comparative report on human resources. I wonder if I could through you Mr Chairman seek a clarification. We had the impression that this was talking about the geographical distribution of staff but I am not sure whether that assumption was correct because different people were talking about different angles of human resource management. I do not think there is any difficulty from the Secretariat's point of view in including this in our work plan. It would of course normally go to the Finance Committee first which is responsible for these matters and then that Committee would then advise the Council in November 2002. But some clarification on the sort of scope that is expected might be useful to us in ensuring that we meet your concerns.

The distinguished delegate of Afghanistan raised a number of questions, which go to evidence the thorough way in which he reads our reports. I would like to mention just a couple of them where I think there was concern about the data - where there was a contradiction that is always a bit disturbing because people wonder if the data is reasonable or not. I would like to assure you that I believe it is all accurate.

The questions concerning Major Programme 2.2.3 and its problems in this biennium. It is true that there were staffing problems in the unit concerned, which is ESA, but it is also true to say that this was one of programmes most seriously damaged by the ZNG scenario that was eventually approved. What you are seeing here in terms of outputs is the movement from the Director-General's proposals through to what was actually implemented.

As the ZNG scenario resulted in nine outputs being cancelled and the base for this programme is only 34, you can see that it has a very deleterious effect on the overall result.

He also commented on the very poor performances on methodologies and guidelines which we recognize. We believe that the problem is actually over-optimism. Technical offices are trying to develop proposals which attract funding, of course, and the normative area of methodologies and guidelines lines is critical.

There is a tendency, however, to underestimate the time it takes to carry the whole process through from conception through to guidelines and standards which are acceptable to the community. I think you will see a little bit more conservativeness in the planning of this particular aspect because frankly people were just being too optimistic.

The delegate for Afghanistan also addressed the difference between the figures in Table 2.1, which you will find in the English text on page 6, following paragraph 22, where it shows field programme delivery for the extra-budgetary area of US\$ 504.2 million for 1998-1999. Whereas, if you go the Table 2.6, on page 15 of the English version, you find a figure of US\$ 570.3 million. The reason for the difference is that in the first table you are talking about extra-budgetary field programmes delivery which excludes project servicing costs, that is, the charge for delivering the programme. In the table of 2.6 there is another difference, which is that it includes TCP and SPFS. In other words, it includes not just extra-budgetary field programmes, but field programmes delivered from the Regular Programme as, of course, here we are trying to measure the quantity of technical support services against the total field programmes. That is the reason for what is an apparent contradiction, but I apologize that there is no mention of the reasoning in the text.

On the question of efficiency savings Pakistan put a question which is to the effect: are efficiency savings really efficiency savings, i.e. by definition, that is, reductions in cost without adverse effects on the outputs produced, or is there in fact also some damage to the outputs produced. It is a very difficult one to answer because, of course, the direct connection between the savings and the outputs is not always that clear.

We know that in certain areas we appear to have overdone it because there have been sufficient complaints from not only internal sources but also external bodies.

A non-technical example would be a Division of Finance which was attempting to implement the Oracle Programme. The External Auditor and the Finance Committee have both quite strongly raised the fact that they feel that the declines in the budget of that division, which we had hoped could be derived from efficiency savings arising from the introduction of new technology, actually probably inhibited the introduction of the technology. In other words, they were applied to hard and too early. In fact in the current Programme of Work and Budget you will see that we had to increase the Finance Division by 11 posts because of that fact. So you can see that the judgements that are made are always potentially flawed, if you cannot measure whether there is genuine savings that do not affect the output. I think we have to be very careful about it, and I think we are getting very close to the bone in many cases.

**CHAIRMAN**

Thank you very much Mr Wade for this informative, detailed and quick answers for the very wide range of questions which were posed to you so suddenly. As far as the comments regarding Pakistan's question of damaging programmes is concerned, I think we should also recognize the statement of the Director-General from Saturday. If I remember correctly he said: "the paradox of FAO, is to do more with less".

One question which I think was not satisfactorily answered was the question in connection with the Human Resource Management agenda issue. I think I would like to ask Cuba to repeat the question, because some other countries had questions along the same lines.

**Armando CASADO CASTRO (Cuba)**

Estoy muy satisfecho con la forma en que enfocó nuestra solicitud. Estoy intentando explicarle la necesidad de más información; quisiéramos una comparación de la forma en que se enfoca la contratación del personal en Naciones Unidas y en la FAO. Que se presente, como parte de esta comparación, alguna información que recoja cómo han sido representados los países y área geográficas en el personal de la FAO en los últimos años.

Por supuesto, cualquier otro elemento que la Secretaría considere pueda ser de utilidad sería apreciado. Estos elementos serían de gran utilidad para posibles análisis de la política de la Organización en la próxima sesión del Consejo en el año 2002.

**Ivone Alves DIAS DA GRAÇA (Gabon)**

Je remercie Monsieur Wade pour les explications données. Je voudrais signaler que ma délégation, ainsi que d'autres, avait demandé un approfondissement d'informations au sujet du Programme de lutte contre la trypanosomiase africaine. Je ne crois pas avoir entendu de réponse à ce sujet.

**CHAIRMAN**

I think if I understand the Cuban intervention in the right way and I hope all the other interventions in this direction, what you want is to have an overall look at the Human Resource Management over time in this Organization and in comparison to other Organizations in the UN family.

**Armando CASADO CASTRO (Cuba)**

Si se quiere hacer un enfoque tan amplio partiendo de esta generalidad para llegar a la particularidad de la contratación del personal, perfecto, serían más elementos; pero mi interés particular está en que se presente un estudio comparativo de la forma en que se ha contratado el personal durante los años recientes, entre ambas organizaciones.

**CHAIRMAN**

I will hand over both questions back to the Secretariat: one on the Human Resource Management personnel question and two, the question of fighting animal diseases, especially, as was mentioned by a number of delegates from the Africa Region.

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

I think we are clear on the Human Resource Management question, and we can provide a comparative analysis of what has been happening in terms of policy and also in terms of results with regard to geographical representation. That I think is clear.

The question I did not answer, and I apologize to Gabon, concerns trypanosomiasis and what is happening in FAO and the support to their project. I have to say I do not have a good answer for you at this moment. I am aware that in the current Programme of Work and Budget we are doing work on “tryps”, in particular, on the Programme against African Trypanosomiasis - Information System with the acronym PAAT-IS which appears under entity 2.1.3.P.1. We also have further work being carried out in monitoring and control of this disease under entity 2.1.3.A.6. I am not, however, qualified to respond to your specific question concerning the current proposal. What I would suggest, if I may, is that I will arrange for the technical division to contact you directly with a more explicit reply if that is satisfactory to you.

**Percy Wachata MISIKA (Namibia)**

Thank you Mr Wade for having answered the questions put to the Secretariat, but I did not hear any response to our concern with regard to the standards and controls systems that are being undertaken by FAO through CODEX.

We are concerned that while FAO is spending resources on developing such standards it seems, there is no enforcement for Member Nations to adhere to that and more and more we are encountering a situation whereby Member Nations apply much more stringent control mechanisms than are agreed upon under CODEX. This is happening to developing countries because with our meagre resources, we spend quite a lot of them trying to conform to the standards set by CODEX. But then we are told when we go to Member Nations they cannot access our markets because our standards are not good enough.

We need a comment in this regard. When are these going to be harmonized?

**CHAIRMAN**

Namibia would like to have a clarification from the Secretariat along the lines of the standards question, and how they should be followed.

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

I apologize for not responding to that, I must admit I read your intervention as more of a request to other Members to address the issue and of course, in fact, the answer does lie with other Members.

I am aware of the problem and, in fact, as I understand that the answer has got to be found through the *Codex Alimentarius Commission* or the other equivalent bodies that are establishing the standards. In other words, all Members have to agree and adhere to the standards for the purposes of trade.

In the case of CODEX standards, of course, WTO now recognizes them so you should have a due recourse to WTO when that happens, as I would have thought. Again, I am not an expert on this subject as you can imagine, and what I will do is I will draw the question to the attention of the Economic and Social Department and ask them whether they can give you the latest information about what action FAO is taking in this regard.

**CHAIRMAN**

Are there any other questions or remarks to the Programme Implementation Report? If this is not the case, I think we close this Item for the moment.

**11. Programme Evaluation Report 2001** (C 2001/4; C 2001/LIM/5)**11. Rapport d'évaluation du Programme 2001** (C 2001/4; C 2001/LIM/5)**11. Informe sobre la Evaluación del Programa 2001** (C 2001/4; C 2001/LIM/5)

Because of the time, I would suggest that we immediately go on and start with the second Item, the Programme Evaluation Report. If this meets your approval. I see no objections, in this case, I would again, ask our multi-purpose force, Mr Wade, to introduce this Report.

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

I am joined by Mr Masa Kato, who is the Chief of FAO's Evaluation Service and who is also is, of course, available to answer any questions you may have.

This is the first Programme Evaluation Report in its new format. Conference may recall that Council decided at its Hundred and Seventeenth Session in November 1999 that it agreed with modified arrangements for reporting of evaluation results to the Governing Bodies. Council concurred, in particular, with the fact the Programme Committee would henceforth be the prime recipient of Evaluation Reports to be generally spread over the first two sessions of each biennium.

The Council reviewed this Programme Evaluation Report at its last Session and it was satisfied that, as it had originally envisaged, a more concise Programme Evaluation Report, summarizing the reports that are sent to the Programme Committee, and that had been reviewed by it, would be submitted to Council itself and then to Conference in the second year of each biennium.

The document you have before you is a summary of all the reports reviewed by the Programme Committee in the period 2000-2001. In addition to the Report itself, you will find for each Chapter the management response to the recommendations in the Report, the reaction of the Programme Committee in the form of its Report, or an extract from its Report, and the comments of any external review panels where we used panels to examine the evaluation.

The Programme Committee has thoroughly reviewed the detailed Reports which were provided to it. I draw your attention to the fact that the full Reports are available on FAO's Website, so although we are abbreviating the information for the purpose of this document, if you are interested in a particular subject, you can obtain the original Report in its complete form.

**CHAIRMAN**

Thank you Secretariat for this concise and short introduction. Now I would like to ask the Membership for comments on these Reports.

**Alphonse CREUSEN (Belgique)**

Nous sommes effectivement tout à fait d'accord de commencer l'examen de ce point ce matin, mais nous comprenons qu'il ne sera pas clôturé ce matin. Nous nous réservons le droit d'y revenir cet après-midi, le problème étant qu'il y a encore des consultations en cours au sein de l'Union européenne.

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

The Programme Implementation and Programme Evaluation Reports are hand-in-hand management tools for results-based management. The United States is pleased with the brief format of the Report. We supported it during our last intervention in 1999, and we take note of the cooperation between the Evaluation Service and the Programme Committee.

This Report is a good example of the Organization's goal to improve the programme management process while ensuring cost-effectiveness and transparency. How an organization is valued by its Members cannot be based on hearsay alone. It must be based on developing management disciplines and strong evaluation methodologies to review itself. The tool of evaluation shows areas of worth, and those in need of improvement. We are pleased to note that FAO is doing both in this Report, with the evaluation of five important reviews and several more planned.



At this time, the United States of America would like to be the following observations. First, we are pleased with FAO's recognition that it is a learning institution. As a Centre of Excellence, it must always be open to seeking new knowledge and new tools to improve the lives of the hungry and less fortunate. We agree that evaluation methodologies should be a guide for results-based management. There should be greater clarity, there should be an assessment of cost-effectiveness, impact and sustainability. Such undertakings should address the strategies and objectives of FAO's Strategic Framework, external evaluators and credibility, and peer review. This feedback is essential to the programme process.

We are pleased that the Programme Evaluation Report also undertook to review FAO's policy assistance objective to help countries to develop the capacity to director policies that affect food security and the world sector. However, we wanted to know more about how effective the FAO Representatives are in their dialogue with Ministries of Agriculture, particularly, since policy is high on country development agendas, the capacity-building to keep pace with globalization. Policy development requires buy-in and partnership to maintain World Food Summit follow-up and the importance of agriculture, forestry and fisheries in sustainable world livelihoods. We agree with the statement on page 5, point 2, based upon FAO's Strategic Framework and the Mandate to work on food security and agricultural aspects of poverty alleviation with policy assistance should be oriented towards world development policy when appropriate, rather than just agricultural policy.

We were particularly interested in the review of the FAO Associate Professional Officer Programme. This is a Programme that the United States supports and participates in, not only with FAO but with the other Rome-based food agencies, the World Food Programme and the International Fund for Agricultural Development. For over 30 years we have also supported the US-based Training Programme under the FAO Fellowship Programme. We believe all Members should be concerned in the decline in APO numbers and problems of morale. Efforts must be undertaken to improve their employment stay. APOs are an asset not to be overlooked in FAO's human resource strategy for the future. We are interested in the recommendation for a brochure explaining the APO Programme objectives and the development of an APO Website. They would help the United States when we recruit applicants for this Programme.

Regarding FAO's training activities, we would like to note that in many FAO technical programmes and field projects, the Organization does not necessarily have to be the trainer. While training represents a significant component of total activity, FAO is not an institution specialized in this field. This is important for one reason. While training is widely recognized as a part of activities contributing to learning, it has no commonly-accepted definition in FAO. Nevertheless, we look forward to the May 2002 Progress Report to management on FAO Training Activities.

We would like to close our intervention with a statement made by the Programme Committee on the importance of quality, integrity, rather than the quantity of evaluations.

**Lothar CAVIEZEL (Suisse)**

Comme les délégués précédents, la Suisse remercie aussi le Secrétariat pour l'excellent Rapport sur l'évaluation du Programme 2001. Nous apprécions en particulier le choix judicieux des sujets retenus, au niveau politique nous avons: l'évaluation des politiques alimentaires et agricoles de la FAO et l'évaluation de l'assistance de la FAO en matière de politiques; et, au niveau du terrain, l'évaluation des projets d'une part et des cadres associés de la FAO de l'autre.

Nous avons pris note avec satisfaction de l'amélioration des principaux aspects des projets de terrain pendant ces cinq dernières années. Nous sommes cependant préoccupés d'apprendre après année que les faiblesses de la conception des projets ont de la peine à être surmontées. Il est donc temps que la FAO concentre tout particulièrement ses efforts sur une amélioration de la formulation et de la conception des projets de terrain dans le contexte de la décentralisation des activités opérationnelles. Dans cette phase déjà, il sera important: premièrement, de mieux définir les groupes cibles des populations pauvres en vue d'obtenir les résultats escomptés. Ce point ne ressort pas suffisamment de l'évaluation présentée; deuxièmement, d'y intégrer les bénéficiaires

afin que le projet leur appartienne effectivement. Ceci soulève toute la question d'empowerment et troisièmement, de prévoir une durée suffisante permettant la poursuite du projet, une fois le financement extérieur arrêté. Il s'agirait dans ce dernier cas aussi de tenir compte du fait que la contribution du gouvernement fait souvent défaut ou qu'elle n'est pas suffisante. Ceci nous amène à recommander à la FAO d'adapter le projet, dans sa conception déjà, à la capacité d'absorption du pays et du gouvernement.

Dans de nombreux pays en développement, des efforts non négligeables ont été entrepris ces dernières années pour mieux permettre aux populations concernées de participer aux projets, mais souvent avec des résultats fort décevants. Que peut-on faire? Notre mission récente en Afrique noire nous amène à penser que des projets à caractère participatif devraient, dans un premier temps, prévoir des activités intenses dans une région restreinte avec un petit nombre de groupes, afin de créer des capacités durables parmi ces derniers ainsi que parmi le personnel d'appui ayant collaboré avec eux. C'est à cette même conclusion que ce Rapport sur l'évaluation du programme est arrivé au paragraphe 42.

**Abdul Razak AYAZI (Afghanistan)**

This document presented to us is succinct, focused and well-structured. The Evaluation Service and the Office of the Programme, Budget and Evaluation should be congratulated.

It covers two evaluations, two reviews and one synthesis of field project evaluations. Comments by the peer reviewers, the Programme Committee and the response of management are indeed very, very useful. I shall try to comment on some specific aspects of this Evaluation Report.

Concerning Programme 2.2.4, it should be noted that with respect to Sub-programme 2.2.4.1, that is Global Perspective Studies, and Sub-programme 2.2.4.2, Commodity Market Development, Commodity and Trade Policy Advice and Intergovernmental Action, the issues raised and the recommendations advanced are more specific and well focused. It is less so with respect to Sub-programme 2.2.4.3, World Food Security Analysis. Also the comments of the peer reviewers are more precise than those of the Programme Committee. Management response to this evaluation is positive and forthcoming.

With respect to Chapter Two of this Report, Synthesis of Field Project Evaluations, Table 2.1 on page 14 – English version – shows a marked improvement in the rated percentages between evaluations undertaken in 1985-91 and evaluations during 1994-99. The percentages of projects scored as "Good" has increased dramatically and the reasons for this have been provided in the text. The proposed improvements in project performance as expressed in paragraphs 36 to 45 need support and encouragement. The observations of the Programme Committee on the synthesis are really pertinent.

The thematic evaluation of the 53 TCP projects covering apiculture, sericulture and legislation is concise and focused. This evaluation is welcome. As pointed out in paragraph 56, project follow-up is a serious matter and needs further attention. The mechanism proposed would be a step forward.

TCP projects are numerous, with small budgets and of short duration. They often serve as a catalyst for a much broader undertaking or fill gaps to enhance effectiveness of existing programmes. Because of their special features, the ideal method for the evaluation of TCP projects is cluster evaluation by specific subject matters, as attempted in this brief but thoughtful evaluation. Such cluster evaluations of TCP projects should be encouraged.

Chapter 3, Review of FAO Associated Professional Officers, is useful, as was stated by the delegate of the United States, as it informs the Member Nations about the value of this important Programme and suggests ways of improving it. However, as noted by the Programme Committee, the review could have discussed special issues more rigorously.

Chapter 4, Evaluation of FAO Policy Assistance, is wide in coverage and of high quality. The Programme Committee has labelled it as a model for future evaluations. Its findings are specific, sharp and in general convincing; its recommendations are pertinent and have received the support

of the peer reviewers and acceptance by management. The core recommendation is that based on its comparative advantage, FAO should concentrate its policy intervention to the sectors of fisheries, forestry and sub-sectors of agriculture, especially in the technology-policy interface.

As was pointed out by the distinguished representative of India at the Council meeting, this term technology-policy interface could have been better explained. Is it the policy parameters of a given technology or is it the technological options of a given policy or set of policies. Nevertheless, the evaluation has reached the conclusion that the demand on FAO for "overall agricultural sector reviews" is declining and that there are other sources of supply, which have a comparative advantage, namely the international financing institutions and perhaps even bilateral aid agencies. At the same time, in paragraph 90, the Report points out that Member Nations are convinced that FAO's policy advice is neutral and objective in comparison with the advice from other sources.

Agriculture sector reviews are, of course, costly and perhaps only international financing institutions have the resources to conduct them. However, it needs to be reminded that financing institutions normally conduct such reviews within the confinements of the broader macro-economic strategy, as advocated by the IMF, and with specific aims of establishing a lending pipeline in the agricultural sector. This orientation of the sector review is understandable but it is by no means the sole purpose of the exercise, particularly when poverty eradication is adopted as a national priority and which, in turn, may call for measures incompatible with a macro-economic recipe advocated by the IMF. Therefore, instead of relinquishing the agricultural sector review to other partners, it may be advisable for FAO to promote synergies with international financing institutions and bilateral donors for joint exercises with respect to overall sector reviews.

Table 4.1, on page 30, summarizes the assessment of 66 projects and intervention, with respect to the quality performance by regions. Two comments are warranted.

Firstly, it would have been much better if the classification was given by categories of countries, like the LDCs, the middle income countries and countries in transition. Assessment by geographic regions with a high degree of heterogeneity among countries is probably risky.

Secondly, among the eight qualitative aspects assessed, the scores were high for all eight qualitative aspects except the last one, namely the projects' Sustainable Impact on Policy. In fact, one-third of the projects had no sustainable impact on policy. Moreover, the situation was worse in the 13 evaluation assessments in Asia, in which none were rated as high. Twenty-three percent were rated as moderate and the remaining 77 percent obviously had no sustainable impact on policy. This is strange because the absorptive capacity of the Asian countries tend to be relatively high. Perhaps there is another reason.

Finally, the proposal for creating an internal task force in FAO for policy work is commendable.

My last comment is on Chapter V. This is the Thematic Review of FAO's Training Activities for Development During 1994-1999. This is primarily a desk study. Normally, a desk study is undertaken to establish the information base for a major evaluation exercise, arriving at very broad but tentative conclusions, which can be subsequently tested through an in-depth study. However, in this case, some sharp criticisms are made, as stated in Item vi, on page 52, and some specific recommendations are advanced as per vii, on pages 52 to 53. One wonders if specificity can be justified on the basis of a desk study.

During the Council Session, the distinguished representative of Pakistan pointed out the need for verification of the conclusion and recommendation based on selected field evaluation, and I hope his suggestion is quickly pursued by the Secretariat. This is more so, when in paragraph 203, under Data, the Report admits, and I quote, "The review found that the lack of reliable information on training planned or undertaken and the absence of detail were a major constraint in conducting this review. It pointed to a general deficiency in corporate data about this significant means of action."

**Flávio Celio GOLDMAN (Brazil)**

Brazil joins the previous speakers in welcoming the release of this fifth Programme Evaluation Report, which in its briefer and improved format respects the decisions taken by the Conference bodies in 1999. Brazil sees the PER as a very useful tool to assess the performance of FAO in its principle activities and programmes.

Brazil attaches particular importance to the evaluation of TCP projects, probably the Organization's most important area for developing countries. While we appreciate the work carried by the TC Department, we take note, with concern, of the shortcomings in project design identified by the Report, specifically in paragraphs 36 to 38 in the English version. Since project design is one of the key elements for ensuring that technical cooperation activities meet their objectives, we would like to echo the call made by the Programme Committee on the need for improving the quality of project design in TC activities.

Brazil looks forward to seeing progress on this topic reported in the next PER.

**Armando CASADO CASTRO (Cuba)**

Muy brevemente: nuestra delegación quisiera apoyar las preocupaciones expresadas por el Comité del Programa en relación con un grupo de problemas más amplios, señalados en el informe; en particular, los cuatro elementos siguientes: la necesidad de una mayor coherencia en la estructura y la concesión del programa de manera que éste se concentre en una masa crítica de recursos en las esferas prioritarias, el reconocimiento de que es necesario ampliar a muchos ámbitos de su actuación las iniciativas en curso para mejorar la planificación y ejecución interdisciplinarias, la conclusión de que hace falta un enfoque claro de toda la Organización para las actividades de capacitación y, por último, la exigencia de que se tomen medidas de mayor alcance para resolver el problema persistente de la formulación de los proyectos de campo.

**Adnan BASHIR KHAN (Pakistan)**

The general points covered by the United States and the detailed points covered by Afghanistan leave me with little to speak on.

I would like to take this opportunity to reiterate our full endorsement of the Programme Committee's observations, which are reflected in paragraph 4 of the introduction to this document, and some further observations, which are contained in paragraph 5 of the introduction.

We would also wish to endorse the lessons drawn, which are summarized in paragraph 7 of the document.

**Alphonse CREUSEN (Belgique)**

Je m'exprime au nom de la Communauté européenne et de ses États Membres. Nous accueillons favorablement le rapport d'évaluation. Comme nous l'avons dit lors du dernier Conseil, ce document revêt à nos yeux une importance cruciale. En effet, il constitue une partie intégrante du nouveau système de planification et de gestion des programmes de l'Organisation, à côté du Cadre stratégique, du Plan à moyen terme, du Programme de travail et de budget et du Rapport sur l'exécution du programme.

Dans l'introduction, Monsieur le Directeur général met en relief les innovations apportées à la présentation du rapport et le rôle accru qui est désormais dévolu au Comité du programme. Celui-ci participe à la sélection des thèmes des évaluations et examine plus en détail les différents rapports d'évaluation de l'exercice bi-annuel. Ces changements peuvent être salués dans la mesure où ils contribuent réellement à améliorer la transparence du fonctionnement de l'Organisation et à renforcer le contrôle exercé par le Comité du programme, et, à travers lui, par les États Membres sur le succès des actions entreprises.

La qualité de l'évaluation semble s'améliorer progressivement, notamment en ce qui concerne l'indépendance de ses évaluations, qui devra continuer à être renforcée. Nous pensons qu'il

convient de réfléchir à la création d'un Service d'évaluation indépendant. Nous apprécions également le fait que le rapport contienne la réaction de la FAO et les observations du Comité du programme. Un exemple qui mérite d'être mentionné est l'évaluation de l'assistance de la FAO en matière de politiques.

Néanmoins, il nous paraît essentiel de veiller également à ce que des leçons tirées de l'évaluation soient effectivement mises en pratique. Il est vital d'avoir un système d'évaluation fort, indépendant, transparent et basé sur les résultats. Nous partageons, à cet égard, les principales préoccupations du Comité du programme, à savoir la nécessité d'une structure et d'une conception plus cohérentes des programmes, la nécessité que les efforts actuels d'amélioration de la planification et de l'exécution interdisciplinaire soient étendus à de nombreux domaines d'activité, la nécessité d'une approche claire des activités de formation à l'échelle de l'Organisation et la nécessité de mesures plus efficaces pour faire face aux problèmes persistants de la conception des projets de terrain.

Enfin, nous pensons que les évaluations devraient permettre de mieux identifier les domaines où la FAO dispose d'avantages comparatifs. Notre réflexion porte en particulier sur l'évaluation du Programme 2.2.4.2 qui ne mentionne pas suffisamment, selon nous, les synergies possibles avec les autres organisations existantes.

En conclusion, nous apprécions globalement cet exercice qui contribue à améliorer le dialogue avec les Etats Membres.

**SUN SHENGZHI (China) (Original language Chinese)**

I would like to thank the Secretariat for this information-packed document.

We are of the view that this Report is the first one to emerge since the new evaluation system was put in place. We believe that the Committee has thoroughly appraised it, as have the other management bodies.

This Report shows that transparency has been improved, in terms of the management of this Organization. Allow me then to thank and to commend those responsible for this Report, namely the Secretariat and others.

We note that the Director-General, in his introduction, expressed worries in regard of some of the problems highlighted in the Evaluation. We would like to say that we share the Director-General's point of view.

At previous meetings of the Programme Committee, we voiced similar views when it came to the evaluation of programmes and projects, taken individually. We would hope that FAO, in its future programmes and programme designs, will be particularly attentive to the problems that have been pointed out in this document.

As regards Chapter I, we support FAO's efforts to improve the world outlook programmes and also for the developments of its publication *AT: 2010*. However, we do believe that the data must be precise and reliable and comprehensive, especially as regards developing countries. Therefore, we would hope that these documents can be further improved, the data in particular can be further completed.

We share the idea that FAO should boost its efforts in disseminating information. Where countries are concerned, there needs to be an effort to see to it that food information and farming information is more widely disseminated.

For a number of years now, FAO has made significant efforts to assist developing countries in preparing multilateral trade negotiations, within the framework of the Uruguay Round. In this regard, FAO has provided training, particularly as regards policy training to development countries. We would hope that FAO will continue in this view and even improve its efforts to harmonize the various standards pertaining to farm produce throughout the world, so as to dismantle the technical barriers to trade and to assist developing countries in such a way that they are in readiness for a further round of trade negotiations.

A further point relating to Chapter II, Recent Evaluations of Field Projects, we find that more projects than in the past have, as it were, got good grades.

We feel that good projects have to be well designed and well implemented according to the well-established criteria but there is also need for monitoring and follow-up. We think that monitoring and follow-up activities to secure the sustainability of projects are of the essence. Furthermore, we believe that the design and implementation of programmes require us to take on board the suggestions of developing countries when it comes to funding and human resources.

FAO should give adequate attention to the levels of cooperation with countries in charge of implementing projects. Countries have cooperated well in the implementation of projects should be encouraged so that they may attract further projects.

We agree, when it comes to Associated Professional Officers, with the proposals contained in the Programme Committee's report. We think that FAO should address this matter and see to it that Associated Professional Officers from developing countries are recruited in larger numbers. We feel that their numbers are rather low. We think that further interviews should be organized with donor countries so that Associated Professional Officers from developing countries can be recruited in larger numbers, as I said before.

As regards policy assistance, we share the evaluation contained in the report. We do agree that FAO should use its professional skills and competence and its operational potential to strengthen policy assistance. This is a must for developing countries.

We believe that FAO should give more attention to achieving goals. Regarding decentralization, we think that FAO should give more pride of place to capacity-building.

As regards the final part of the Report, Training Activities for Development, we believe that developing countries do value these training activities and, in the main, they do meet the requirements of developing countries. So, it is fair to say, that we are happy with these training activities, as organized by FAO.

We would still hope that the training manuals would be further improved. When organizing training programmes, you have to factor in the specific conditions pertaining to individual countries. These should be linked in to field projects, because you can do more training when field projects are going on.

**Brett HUGHES (Australia)**

Australia believes that an effective evaluation mechanism within FAO is essential to good governance. In this regard, Australia considers that the new phase in the evolution of FAO's evaluation system will reinforce the Organization's evolution towards a more strategic results-oriented organization.

The document before us is a good document, and we look forward to their further refinement to bring them into line with the Medium-Term Plan and Strategic Framework.

Australia also wishes to reinforce the sentiments expressed during the last Programme Committee regarding the need for greater coherence in programme structure and design, so that resources are focused on priority work areas.

Australia looks forward to a number of the forthcoming evaluations. In particular, we welcome the proposed evaluations of the Special Programme for Food Security, the Decentralization Process in FAO, as well as the proposed review of the CODEX Programme. With regard to the CODEX Review, Australia would stress that any review of CODEX should include an external component and there is a need to draw upon the experience of Member Nations and upon regional perspectives.

*The meeting rose at 12.40 hours*

*La séance est levée à 12 h 40*

*Se levanta la sesión a las 12.40 horas*

**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>SECOND MEETING OF COMMISSION II DEUXIÈME SÉANCE DE LA COMMISSION II SEGUNDA SESIÓN DE LA COMISION II</b>
<b>5 November 2001</b>

The Second Meeting was opened at 15.00 hours  
Mr Carl-Josef Weiers,  
Chairman of Commission II, presiding

La deuxième séance est ouverte à 15 h 00  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la segunda sesión a las 15.00 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

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

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

**11. Programme Evaluation Report 2001** (C 2001/4; C 2001/LIM/5) (continued)

**11. Rapport d'évaluation du Programme 2001** (C 2001/4; C 2001/LIM/5) (suite)

**11. Informe sobre la Evaluación del Programa 2001** (C 2001/4; C 2001/LIM/5) (continuación)

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

I would like to thank the Membership for the complimentary remarks about the Programme of Evaluation Report. They should be addressed to Mr Kato and his staff and, in fact, I shall ask if you agree, for Mr Kato to respond to the bulk of the questions.

I would like, first, to address three general evaluation issues: independence, the relationship of evaluation with the new programming framework, and follow-up on evaluation recommendations.

On the question of independence, which was, I think, raised by the distinguished delegate of Belgium on behalf of the European Community, this is an issue on which there is not a great deal of common practice or even consensus amongst the international organizations, both Bretton Woods and the United Nations. In some of these organizations, the evaluation service or its equivalent is actually distributed around the programme units concerned; that is the most extreme form of decentralization of evaluation. In others, it is a distinct unit reporting to the Chief Executive of the organization and, in yet others, it is highly independent with its head being appointed by, and reporting directly to, the Governing Body. That is the sort of situation you see in OIOS, the United Nations and in the World Bank.

In FAO, the Evaluation Service is in the office of the Director-General, within the office of Programme, Budget and Evaluation. But why do we have a preference for this particular solution? Well, an example of the most independent model is the United Nations, where the Evaluation Service becomes immersed in the Office of Internal Oversight Services, which is responsible for all five elements of internal oversight: that is, audit, inspection, investigation, evaluation and monitoring. In this case, evaluation inevitably becomes something of a control function whereas, in FAO, we see it more as a learning function. In FAO, we try to work with programme managers to identify the constraints and the problems and, with them, to come up with possible solutions, preferably solutions that they will have participated in developing, and solutions which they will eventually buy into. Such an approach does not really work with a control function evaluation service, where programme managers are inevitably forced into a more defensive position.

Having said that, I have to say that, on the other hand, we fully recognize that external input into evaluations raises their credibility and, therefore, that the new evaluation regime, which I will come back to in a minute, encourages in fact such input.

Of course, we have to be aware of the cost effectiveness issue here as well. External evaluations are expensive. For example, the SPFS evaluation will cost in the region of US\$ 600 000, an amount which can only be afforded on occasions where the circumstances really warrant it.

On the other hand, independence can be achieved without this high cost. I would remind you that Council applauded the Policy Assistance Evaluation for its independence. In fact, there have been similar remarks today. I find this very pleasing, first of all, because I agree; but secondly, I like it because that evaluation was led by the Evaluation Service. It was carried out largely by our own staff. These are staff who, I want to make it clear, are in my view independent. Now, of course, it was reinforced by an excellent peer group review.

I think this leads us to a sort of optimum solution: increasing the use of such reviews and the commitment to publish their reports with the evaluation report and in the PER. Here you have the advantage of an evaluation which is carried out respecting the principles of a learning



organization rather than as an audit or an investigation function, and one on which one also receives an independent review of the methodology, the approach and the results, greatly therefore increasing credibility. So that is our view of independence.

Turning to evaluation and the new Programme Planning Framework. The United States of America, and again Belgium on behalf of the European Community, commented on the role of evaluation as an integral part of the planning framework: the Strategic Framework, the Medium-Term Plan, and the Programme of Work and Budget. Now, we agree completely with this concern. In fact, we produced a paper for the Eighty-second Session of the Programme Committee, which was entitled: "Evaluation in the Context of the Strategic Framework and the New Programme Model."

This paper, which was actually the same one that produced the changes which resulted in today's new format Programme Evaluation Report, also addressed how we propose to establish a regime which will allow us to evaluate the entities in the Medium-term Plan and their contribution to strategic objectives, as established in the Strategic Framework. In fact, those of you who were in Council will note that the latest group of subjects selected for evaluations include topics for thematic evaluations related to the corporate strategies; and there were three. Very briefly: normative and field operational work for A3, which is *Preparedness and effective and sustainable response to food and agricultural emergencies*; for strategy B1, which is *International instruments concerning food, agriculture, fisheries and forestry in the production, safe use and fair exchange of agricultural, fishery and forestry goods*; where we are including the joint FAO/WHO Standards Programme, that is *Codex Alimentarius*, which has been proposed and accepted for a joint evaluation with WHO; and finally, Strategy D1, where selected activities under that one, which is *Integrated management of land, water, fisheries and forestry resources and genetic resources*, will be evaluated. So the new regime already takes into account the need to connect the evaluation process to the Strategic Framework and the Medium-term Plans.

I should comment that these will not be easy evaluations because of their interdisciplinary nature, but we see it as essential that we try and develop a workable methodology that allows us to identify the progress we are making in addressing the strategic objectives of the Organization.

Finally, on the last subject, evaluation feedback and whether anything changes as a result of evaluation reports. I think again, it was Belgium, who raised the point concerning the response of the Organization to evaluation recommendations. This, too, is an area where, in my view, there has been very great improvement in the last couple of years. Reports are now being subjected to a much more rigorous internal process, in part because the Programme Committee has itself taken much greater interest in receiving follow-up reports which identify what has and has not been done. Thus, for example, Mr Kato will take you through the actions taken concerning the design of field projects, an issue which was raised by many delegates this morning, and the revitalization of the internal Field Programme Committee, which provides general oversight to that process.

Similarly, to respond to the Policy Assistance Report, an interdepartmental task force has been established to address the action taken on each recommendation.

Also, the Senior Management Meeting assigned a task force to examine and implement the recommendations of the Training Review, so you can see that the process is, in fact, really quite rigorous and will result in reporting back to the Programme Committee.

I guess, finally, on this point, I would like to add that the Evaluation Service in FAO is in a unique position by being located in the office of Programme, Budget and Evaluation. This provides it with direct access to the planning process and I think that it is for this reason that we have made so much progress in recent years. Just for example, the new programme model, which is the foundation of results-based management in FAO, was in fact designed and developed by the Evaluation Service, and then adopted by the planning side.

In conclusion, the feedback loop in FAO is, in my view, very strong indeed and that is not an area where we need to be too concerned.

**Mme A. Blondine W.Z. OUEDRAOGO YAMEOGO (Burkina Faso)**

Je vous félicite pour votre nomination en qualité de Président de cette Commission. Le Burkina Faso voudrait joindre sa voix à celles qui l'ont précédé pour apprécier positivement le document du Rapport d'évaluation du Programme 2001 dans son ensemble. En effet, il note avec satisfaction l'amélioration apportée dans la présentation du rapport. Il souhaiterait par ailleurs que la trypanosomiase et les oiseaux granivores retiennent une attention particulière de la Communauté internationale en vue d'assurer une sécurité alimentaire. Il est à noter que le Burkina Faso a enregistré un impact positif dans le cas de l'évaluation du Programme 2001. En effet, le Programme spécial pour la sécurité alimentaire, PSAA, de par son impact positif auprès des bénéficiaires des 42 sites du Programme de sécurité alimentaire au Burkina Faso est apparu comme une des voix les meilleures dans la résolution de l'insécurité alimentaire.

**Masa KATO (FAO Staff)**

I would like to address several points that have been raised by interventions from various delegations. First of all, I would again like to thank you very much for your interest in this matter and your suggestions. It is very encouraging for us to have an interested audience which gives us constructive advice.

Regarding Chapter I, both Belgium, on behalf of the European Community, and China drew our attention to a couple of matters. One was regarding the need for programme evaluation reviews to help increasingly identify areas of FAO's strengths and comparative advantage areas for which FAO may work with greater priority. This is a very important point; we will bear it in mind. I suppose in many of the programme reviews we have not been able to address this fully, but it is a concern we will keep in mind and work towards it. As the delegate of China mentioned, the dissemination of FAO information in programmes like 2.2.4, Food and Agriculture Policy Programme, is very important, and I think this is something that has been noted and then endorsed by the Department.

There have been many interventions on the Field Programme evaluation aspect. Switzerland, Afghanistan, Brazil, Belgium on behalf of the European Community, and China have spoken about the need for improved project formulation and design.

Just a couple of points on this. We appreciate very much, particularly Switzerland's point, that in formulation we really have to have a clear identification and understanding of the target groups and that these target groups have to play a very important role in the formulation and implementation of the project.

Also, the Swiss delegate made an important point on the need to make sure that projects are designed with adequate resources and duration to ensure sustainability, and that is something very close to our heart. Very often we see cases where projects have originally been designed for a longer period and for larger resources and then, for resource reasons, are reduced in duration, but with the original project design being kept. They then become too unrealistic and consequently FAO has to take the blame. But it is a tripartite, joint enterprise. Of course, FAO has a major share but I think that cooperation from both the recipient and the donor government in looking at the proposed project carefully to check feasibility and sustainability, is something that we would very much appreciate. In the meantime, within the Secretariat, this aspect is being addressed in a fairly comprehensive way. In the Programme and Finance Committees and in the Council, there have been many reports about what is happening under the Field Programme Committee. This is an internal Secretariat Committee dealing with field programme masters and last year it was revived with a more comprehensive mandate. It has several working groups, parties that are looking at various aspects of field programmes from policy level down to operational aspects. For example, one working group is working on revised, updated methodology and procedures for project design and formulation. Our service is also participating in that work. So this is an important part of feedback from the Programme Evaluation Report.

Also, another working group is looking at the entire cycle of projects, in revamping procedures and methods from project identification, a role of FAO in the country down to internal appraisal,

implementation, monitoring, backstopping arrangements. It will take some time, but work is under way.

You may have heard about the Field Programme Management Information System, whereby you see, under the Website, complete data on the Field Programme portfolio covering all aspects of the project, not only who is involved, but also what its objectives and contents are.

There is also an FAO Project Formulation Toolkit, which is a fairly large computer-assisted information system intended to assist, particularly those in decentralized units, FAO Representatives, Regional Offices, and Sub-regional Offices which are increasingly taking the lead in formulation, so that they can refer to guidelines, rules and procedures, and resource materials when formulating their project proposals.

Finally, there has been an attempt to revamp and come up with a streamlined staff training programme on the field project cycle, including formulation. So you can rest assured that this question is being addressed. We should be able to monitor and report to you periodically on how far they will be implemented and what effect they will have.

On the APO Programme, there have been a few points. I think it was China that referred to the desirability of increasing the number of APOs from developing countries. I can tell you that the Belgian Government has, this year, joined the donor countries to sponsor APOs from developing countries. I understand that several other donors are considering the same action and I hope we will have more information on this shortly.

I think the US asked questions on the progress being made in improving administration of APO programmes. There is now a Website on the Programme which can be accessed. Perhaps it is not as good as it could have been but a start has been made. Also, a monitoring system has been devised and is being pilot-tested, monitoring the performance of APOs. So again, various aspects of the APO programme are being followed up.

In policy assistance, the United States asked for further information on the role of FAO Representatives in this area. There has already been quite a lot of debate on this, in the recommendations of the Evaluation Report and in the response of management. I would say, at this time, that these aspects are still being followed in the Inter-departmental Task Force which Mr Wade referred to and which has just started work. I think it would probably be premature for me to say anything further on this. However, I could also say that we are planning to undertake the evaluation of the decentralization policy of the Organization in the next biennia.

Certainly, the role of FAO Representatives, the capacity, the extent to which they have been empowered in the decentralization sense, will be an important part of the agenda we will be looking at. We will also provide the feedback on this from that point.

Afghanistan asked the question about a policy technology interface meaning. We apologize if we use too much jargon which is not clear enough but, as the speaker from Afghanistan rightly mentioned, it works two ways, because a policy thinking strategy has to be underpinned, in the final analysis, by a concrete technical instrument to implement the policy decision.

At the same time, there are some concerns about technical aspects, such as making sure of the effective use of water resources. This may lead to a question of need for some sort of cost recovery for water services. In the same way, problems such as introducing agro-forestry and socio-forestry in mountainous areas certainly also raise the question of the need for communities to have a stake in the management of the land on which they will undertake these activities. Again, we come to a very important policy issue of land tenure and communities' role in managing forests and land. This is just an example. I think one of the points that emerges from this evaluation is that FAO has many roles in highlighting these technical areas which have policy implications, and these can become a very important entry point for policy discussions.

The Afghanistan delegation also mentioned the sustainable rating in Table 4.1, regarding the various aspects by region. He noted that sustainability is relatively low in several criteria, in particular it seems to be very low for Asia. He mentioned that there may be some reasons for this.

It is a tricky question, as the delegate observed. Many Asian countries have relatively high absorptive capacity, national capacity to handle many aspects of the policy. I think, in our experience here, we discover several elements that seem to have affected the rating. One aspect is that many of the activities implemented during this period in Asia and covered by this sample in this study, were the agriculture sector reviews and many of them, in particular, were implemented by visiting consultants with a relatively less participatory process in the countries concerned.

As you see in the table, the rating on the quality of the project implementation and follow-up is rated low. These are important reasons why sustainability is coming up relatively low in this particular case.

In the area of training, again, the Afghanistan delegation drew the attention to the fact that this is actually a desk study, and highlights the poor availability of data. In this light how can the study present very sharp findings and recommendations. That is a good question. But what the study clearly establishes is the general weaknesses in the way we conduct, plan and train across the house on such matters as the lack of commonly accepted definition approach, institutional arrangements within the Organization for getting together various units and persons involved in training. This aspect is very easy to discern.

After all, we interviewed practically all the technical divisions and we went through some 30 internal case studies and about 35 field project cases. When we say poor data, it really means data that is organized in a commonly-accepted way which we can desegregate and aggregate to make corporate level analysis. I do not think the weaknesses in data really affected the kind of observations and recommendations we are making. As you see, most of these recommendations are fairly general and addressed corrective action at the corporate level on how we plan and conduct training activities. We are not saying that a certain kind of training should be reduced or given more attention or anything like that at this stage.

This brings me to the second point, which was also mentioned by Pakistan during the Council as well. This is a desk study and in order to have more precise, reliable information from results of various kinds of training, it should be supplemented with more field level studies. We agree to this and I hope we will be able to come back to this issue one day, so that we can have a much more complete analysis and more credible information.

Finally, the Australia delegation mentioned about the planned review of the CODEX programme by FAO and WHO. It is still in the early stages of discussion. However, the point you raised about taking into account the opinions of the regions and countries, as well as having external independent inputs in the process are being addressed. We are actually recommending to WHO that there be an external independent panel such as the one we are using here. We hope that this will be accepted and certainly I think it is a very important element in this particular review.

#### **CHAIRMAN**

Many thanks to the Secretariat for this extensive explanation of the questions which were raised during the contributions to this point. I see no further wish to speak on this point and therefore I want to conclude this Item 11 on the Programme Evaluation Report. But because of the time, I now have a problem. We could start on Item 12, as I am warned by a number of people that this will be the most difficult part of Commission II, the Programme of Work and Budget.

This was actually my intention, but a number of delegations have their ministers over here and have a limited number of delegates and they would be unfairly disadvantaged if we were to do so. My suggestion would be to suspend the meeting and come back tomorrow morning at 09.30 hours.

I would like to have your comments on this suggestion.

#### **SUN SHENGZHI (Original language Chinese) (China)**

My delegation wishes to have the Programme of Work and Budget discussed tomorrow.

**Mrs Neela GANGADHARAN (India)**

We would like to support your suggestion that the Programme of Work and Budget is taken up tomorrow morning promptly at 09.30 hours.

I would also like to ask you, if as was the practice in 1999, after the preliminary discussion, if we do not reach consensus, a small group of Friends of the Chair be constituted in Commission II to carry on the discussion as a smaller group. I just want to flag this here and see whether you would be thinking of some such mechanism this time. This is just a suggestion.

**Patrick SAINT-HILAIRE (Haïti)**

Brièvement, je voulais dire combien je trouve sage votre proposition de reporter à demain matin neuf heures et demie l'examen du point portant sur le budget.

**Alphonse CREUSEN (Belgique)**

Nous soutenons votre suggestion que nous considérons effectivement également comme excellente et nous commencerons donc les travaux demain à neuf heures trente.

**Abdul Razak AYAZI (Afghanistan)**

I would like to endorse the proposal of the distinguished Representative of India for a such a possible Friends of the Chair. I am saying this because I am being selfish. As Chairman of the Drafting Committee such a procedure would really help the Drafting Committee to come to some reconciliation before starting the fight in the Drafting Committee.

**CHAIRMAN**

Thank you very much to the delegate of Afghanistan, and he is very much looking forward to his forthcoming duties.

I have heard of these mechanisms, like the Friends of the Chair and other groupings in this Organization. In this case, I would suggest, that you would possibly support me in the idea that we build such a group by having two representatives of each Region, and maybe the Chairs of G-77 and the OECD as delegates. A similar group was created very successfully during the Council on the question of the World Food Summit: *five years later* regarding the new dates and the set up of this meeting next year.

What would you think about a group along these lines? If this is agreeable, I would also like the different Regions to contact the Chair in order to facilitate this idea. Then tomorrow morning, we could have the statements prepared by the different countries and groups and without any big loss of time immediately enter in such a smaller discussion group and come, as some people say, to the business.

**Mrs Neela GANGADHARAN (India)**

Yes I have no problem with your suggestion. My only problem is with regard to the number that you were suggesting. On such an important topic as the Programme of Work and Budget, two members per Region for larger Region could be slightly restricted. I do not know what was the practice earlier. Should we have some other formula, such as the Chair plus three or something like that, so that the Sub-regions and Regions at least all get represented. Or do you want to restrict the number of Members? I leave it to you. I just thought that just two Members from each Region was too restrictive. The number is too small.

**CHAIRMAN**

Thank you very much for this idea. I think we should possibly again ask somebody who has experience in that and maybe the Secretariat could give us some advice, but I fear that 4 times 7 is, in my counting, 28 and is a very large group in order to come really to the point. I mean the representative of the different regions could always consult their regions and their set up. But maybe the regional Chair plus 2 would be the maximum size, in my feeling and experience of this

sort of group. What is the experience of the Secretariat in these cases? You do not pre-judge in telling us your experience.

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

I am afraid I am going to have to do some research. I think it has a varied quite a lot depending on the subject matter, but I can do some research for you so that I have an answer for you tomorrow morning.

**CHAIRMAN**

Thank you very much Mr Wade, as always you have a very wise answer. Maybe the Representative of India together with other regional Chairs could possibly have a word with their Members in the Regions and find out how they could proceed. My feeling is that 3 persons per Region should be somewhere in the upper limit in order to facilitate discussion of the item. As Mr Wade made this very good suggestion, we could start with this tomorrow morning before the statements are made so that the question may be brought forward in the meantime and we would be able to start with this informal group in the afternoon.

This solution seems to be acceptable.

*The meeting rose at 15.45 hours*

*La séance est levée à 15 h 45*

*Se levanta la sesión a las 15.45 horas*

**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>THIRD MEETING OF COMMISSION II TROISIÈME SÉANCE DE LA COMMISSION II TERCERA SESIÓN DE LA COMISIÓN II</b>
<b>6 November 2001</b>

The Third Meeting was opened at 9.50 hours  
Mr Carl-Josef Weiers,  
Chairman of Commission II, presiding

La troisième séance est ouverte à 9 h 50  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la tercera sesión a las 9.50 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

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

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

**12. Programme of Work and Budget 2002-2003 (Draft Resolution)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (French and Spanish only); C 2001/LIM/6;  
 C 2001/LIM/15)

**12. Programme de travail et budget 2002-2003 (Projet de résolution)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (espagnol et français uniquement); C 2001/LIM/6;  
 C 2001/LIM/15)

**12. Programa de Labores y Presupuesto para 2002-2003 (Proyecto de resolución)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (solo en español y francés); C 2001/LIM/6;  
 C 2001/LIM/15)

**CHAIRMAN**

Today we have to discuss the Programme of Work and Budget, the third Item on our agenda. You are all aware of this large publication of the Secretariat, which has been available for some time.

Our idea is to listen to the statements of the different delegations this morning and then, after all prepared statements have been listened to, we have discussions later and try to come to a common agreement.

As you all know, the Council and the Committees of the Council have discussed this publication at length and looked into all details. If you have very long statements, and you would agree, you could take them directly to the verbatim team and they will then be inserted into the Report.

After this morning's Session, we could try to find a common solution or, otherwise, we were thinking, as we discussed yesterday, of building a smaller team to come to a common standpoint.

I would, therefore, like the Secretariat to introduce the Programme of Work and Budget, and afterwards invite your comments.

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

The Programme of Work and Budget has been developed, in effect, over the last two years. We started, I have to say for the first time, with a particularly sound basis in the form of the Strategic Framework which was approved by the Conference in November 1999.

From this, we developed the Medium-Term Plan, which was reviewed in depth by the Programme Committee and the Finance Committee and then by each of the sectoral Committees of the Council – the Committee on Agriculture, the Committee on Fisheries and the Committee on Forestry – and then by the Council itself. Here we saw substantive support for the priorities which had been selected, but some doubts and objections to the proposed level, in particular to an increase of 9.6 percent increase in the first biennium of the three biennia period covered by the Plan.

The Summary Programme of Work and Budget, which proposed a Real Growth budget of 5.4 percent, attempted to offer a compromise between those that sought Real Growth of 9.6 percent and those that wanted no growth or even Zero Nominal Growth. It was reviewed by the Programme and Finance Committees and then by the Council, which endorsed the priorities but, again, was unable to reach agreement on the level.

This led to the preparation of the full Programme of Work and Budget document, which you have before you. This document is an expansion in terms of information on the Summary Programme of Work and Budget, but has been changed to reflect the requests that greater priority be accorded to TCP, Fisheries and Forestry. This document has so far been reviewed by the Programme Committee, the Finance Committee and the Council and is before you today.



The Council, last week, studied the document and generally appreciated its clarity and its consistency with the Strategic Framework and the Medium-Term Plan. In general, the Programme of Work has the support of the Membership, but there remains the question of the level of the budget, on which consensus has yet to be reached.

I would like to address two aspects which need to be drawn to the attention of Members.

The first concerns the handling of the exchange rate for the budget.

The exchange rate has, in the past, been set at the spot rate on the morning that the budget is adopted. So that would be on the morning on Friday, 9 November 2001. This has meant that none of us really knows what the budget is going to be until the day of the vote, as the exchange rate is one of the key assumptions for the calculation of cost increases. Obviously, the costs of this Organization, when they are expressed in US dollars, which is the currency of both the Appropriation Resolution and the Scale of Contributions Resolution, particularly those costs in Rome, will vary with the exchange rate of the Euro to the US dollar. You can see the connection.

At the time that the Summary Programme of Work and Budget was being discussed, the cost increase figure was very substantial. The estimates were as high as US\$ 49 million for the biennium. Of course, in discussing the level of the budget, some Members proposed Zero Nominal Growth, which would have implied a further cut in the real value of the budget of US \$49 million, a proposition about which no Member was particularly sanguine.

However, the calculation leading to the US\$ 49 million was based on the established procedure for calculating cost increases in the budget, which is to use the budget rate for the previous biennium. The budget rate for the previous biennium was €1 equals US\$ 1.0327 or, for those of you who find Lire easier to comprehend, as I still do, that is equivalent Lire 1 875 to the Dollar, even though the actual rate was, of course, more favourable at that time.

During July, the US dollar continued to strengthen, although I have to say always in the context that most commentators were of the view that at such rates the Dollar was over-valued and the Euro was under-valued. As explained in the document, the Director-General decided to proceed with the forward purchase of the Organization's Euro requirements and this contract effectively freezes the exchange rate for the entire biennium, thus insulating the Organization against any further variations in the Euro/Dollar exchange rate.

The forward purchase was established at €1 equals US\$ 0.880, which is Lire 2 200 to the Dollar. This had two immediate beneficial effects.

First of all, it effectively established the budget rate, instead of the spot rate on the day, which, in turn, removed the uncertainty about the cost of the Programme of Work and Budget which was being proposed.

Secondly, it reduced the cost increase figure from US\$ 50.4 million to only US\$ 3.2 million.

These elements were, of course, welcomed by the Committees and, in effect, by the Council, which observed the same beneficial effects.

In passing you may wish to note that if the budget were adopted today, on the spot rate, cost increases would rise by US\$ 6.2 million to a total of US\$ 9.4 million, because today's rate is €1 equals US\$ 0.8985 or US\$ 1 equals Lire 2 155. That has been varying up and down, quite a lot, since we did the forward purchase.

In conclusion, on the question of exchange rates and cost increases, I would just like to confirm that the Finance Committee endorsed the level of the cost increases as well as the assumptions on which they were based.

I would now like to turn to the question of the use of arrears and draw your attention to the document C 2001/LIM/15.

As the current Conference Resolution 3/99 lapses at 31 December 2001, and as there is doubt about whether the US arrears will be paid before the end of the current biennium, a new resolution is needed if the arrears are to be utilized for specific purposes.

I should add that a new resolution is also needed because the original resolution did not envisage changes in accounting practice, in particular for After Service Medical Coverage, which are now causing the accumulated deficit to increase. As the current resolution requires the entire accumulated deficit to be eliminated by the United States arrears before we use the money for any other purpose, the increasing deficit from After Service Medical Coverage will reduce the amount available for one-time expenditures.

Therefore, the new resolution for 2002-2003 is slightly different from the current one, in that it excludes the effect of the amortization of the accrued liability for After Service Medical Coverage from the calculation.

The priorities proposed in the resolution are those fully recognized by the Governing Bodies and include those already adopted in Resolution 3/99, as well as full funding for Oracle Phase II.

The Conference is asked to adopt the new draft Resolution which is attached to the document.

I would like to turn now to the rationale for this Growth Budget.

Whether we increase FAO's budget by US\$ 35 million or not, is not going to solve the world's problems of food insecurity. However, it is certainly going to be beneficial in the extent to which this Organization can respond to the increasing demand for both its normative and its operational activities. On the one hand, whether, for example, we accelerate the development of phytosanitary standards or the scientific evaluation and safety assessment of foods derived from biotechnology and, on the other hand, whether we can make ourselves more able to respond to the request from Member Nations for various forms of assistance related to our mandate and the implementation of the World Food Summit Plan of Action.

The case for reduced budgets over the last four biennia has diminished since they were introduced eight years ago. In 1993, when the first real reduction was voted by the Conference, there were two principle arguments which were strongly put at that time.

The first was that FAO could absorb a budget reduction to its programmes by creating efficiency savings, and the second was that all governments were recognising the need to cut back public expenditures and hence had a legitimate reason for pursuing a policy of Zero Nominal Growth, or less, as it was the case for FAO, throughout the UN System.

I would like to say that neither argument can be stated with the same force today.

In the case of efficiency savings, the reality is that FAO has made enormous strides and has demonstrated this as has been accepted by the Governing Bodies.

I refer you to the Report on Efficiency Savings which was presented to the Council. It is CL 119/INF/12. This examined efficiency savings, in considerable detail, under three headings: input oriented measures, process-oriented measures, and measures to increase cost recovery.

Perhaps one of the most telling statistics is what is happening to FAO's staffing structures. In the document, we showed a reduction of 677 posts, of which close to 90 percent were General Service positions in this Organization. In the latest proposal before you, the total number of abolished posts rises to close to 700 before adding on the Real Growth proposals, overall a decline of 17 percent, but reaching the incredible peak of 36.6 percent reduction in General Service posts in this building in Rome.

During the Council last week, several Members made very helpful suggestions concerning areas where further efficiency savings might be made. These were meetings costs, use of international competitive bidding processes, including, in particular, for communication services, outsourcing, remote translation, travel costs, etc. While welcoming such suggestions, I explained, at some length, that all of these areas have already been extensively addressed by the Secretariat and, I

should add, all have resulted in significant efficiency savings. All in all, the document I referred to concludes that the annual savings have reached between US\$ 50 and US\$ 60 million per annum.

Of course we can and we will make further progress, but let's be realistic and not use this as an excuse for ZNG. The further savings which may be made will be incremental and not of the order of magnitude which we have seen over the last eight years.

On the contrary, in some cases, it is recognized that we went too far. For example, the reductions in the length of meetings are being questioned by the affected bodies. You heard at the Council last week, if you were there, that the Finance Committee is pressing for longer meetings to attend to its agenda. That will eliminate some of the efficiency savings that we have counted.

The cuts to the Finance Division are stated by the External Auditor to have damaged our capacity to implement Oracle. You will have seen that we have had to add eleven Professional posts to the Finance Division in the current budget. That, again, has reduced what we had hoped would be efficiency savings arising from the implementation of advanced technology.

Similarly, it has been recognized that our programme to reduce Professional grade averages has diminished our attractiveness as an employer in the market and even, in some cases, prevented us from recruiting for critical posts. The Finance Committee, as a matter of interest, discussed the post of Treasurer, which has been vacant now for over two years.

So the claim for further efficiency savings is neither a reasonable nor sufficient response to the demands being made by Members for increased normative and operational services. Of course, it may be argued from the experience since 1994 that those insisting on efficiency savings were on good grounds, and that is actually very hard to refute. We certainly have made savings over that period.

However, those that defended the position on the basis of national fiscal policy had less of a case in an absolute sense. That is, the stringency applied to FAO, and to a lesser extent to the rest of the United Nations system, was not matched by equal stringency in national expenditure plans.

How can this be evidenced? FAO's budget has dropped 15 percent in real terms in that period. That is, it is now US\$ 650 million, whereas it would have been US\$ 745 million had normal cost increases been applied at the amounts which were endorsed by the Finance Committee. That is, if a policy of ZRG had been followed over the last eight years, we would have had 15 percent more than we have now.

Similar declines are reflected in the overall attitude to ODA and to external assistance to agriculture. In fact, in the latter case, an almost identical 15 percent decline has been seen.

However, if we examine the nine governments responsible for close to three quarters of the assessed contributions, they have all, with one exception, increased government expenditures. The actual amounts of those increases vary from country to country but the lowest is seven percent and the highest is 37 percent. I exclude Canada from that calculation.

Reducing the budget for FAO is clearly a legitimate choice of sovereign states, but let us recognize what that choice meant. It meant that the work of FAO was of a lower priority than most of the national budget. In other words, during the nineties, the richest countries of the world made the choice to give a lower priority to international development, to the reduction in poverty beyond their borders and to the problems of food insecurity.

I put it to you that the rationale for the choices made in the nineties is no longer valid or appropriate and that it is now critical that the correct signals be sent to those less fortunate than ourselves.

I also put it to you that FAO is one of the most appropriate vehicles through which to send that signal. As a treaty Organization that has always stood and worked for the poor and the hungry through both its normative and operational work, it is an obvious choice for additional material support.

I put it to you that the work of the last four or five years in redefining FAO's corporate strategies in the Strategic Framework demonstrates the solidarity amongst Members about what it is that they want FAO to do, and that the resulting priorities are reflected in the Programme of Work.

I put it to you that by building on the Strategic Framework and applying the new results-based programme model, the Director-General has developed and submitted to you a Medium-Term Plan and a Programme of Work and Budget which encompasses both the vision in the Strategic Framework and the best in planning techniques available to us today.

I put it to you that the demand for this Organization's services is growing and that our efficiency in providing such services at a reasonable cost should no longer be seriously questioned.

In conclusion, I put it to you that it is hard to understand an outcome of anything other than a growth in FAO's budget if the Membership, at large, wants to seriously address the challenges which face this Organization and its Members.

**Adnan BASHIR KHAN (Pakistan)**

We thank Mr Wade for his wonderful introduction and the case he has presented before us.

We have given our views in detail during the consideration of this agenda item at the Hundred and Twenty-first Session of the Council. We also had views expressed by the Chair of the Asia Regional Group, on behalf of the developing countries of Asia, so we do not need to repeat or reiterate all of those views. Suffice it to say that they hold good for the purposes of this forum as well.

At present, we would prefer to focus on the Council report on this agenda item.

We endorse the Council's views on the section on Regional Dimensions, as well as on expanded explanation of linkages with extra-budgetary funded activities, as highlighted in Paragraph 2 of the report. We also share the view that preliminary information on the Programme of Work and Budget proposals could be made available to COAG, COFI and COFO, as requested in Paragraph 2.

We note the linkages between the Strategic Framework, the Medium-Term Plan and the current PWB, and endorse the request to include budgetary aspects of the strategies to address cross-organizational issues in the next version of the PWB.

We have noted the explanation and debate on the forward purchase contract. We would like the Finance Committee to discuss this issue in detail, in conjunction with any other options to remove uncertainty linked to fluctuating exchange rates.

On the programme side, we join those Members of the Council whose views regarding programme priorities are contained in paragraph 7 of the Council Report. We emphasize, once again, the importance of the Field Programme and its importance to keep FAO relevant, even in its normative functioning, and therefore support paragraph 8 of the Council Report.

We emphasize the requirement for an effective administrative infrastructure of the Organization. We request that this issue be further examined, perhaps in the context of the Finance Committee's consideration of FAO's human resource development.

We would also like this Committee to examine, in the same context, FAO's formula and criteria for country representation and geographical representation in jobs linked to country contributions, as this negates many other well-established principles of staffing.

On the budget level, suffice it to say that Mr Wade has made a very persuasive and very strong case for adopting a Real Growth Budget and our delegation is one of those whose views are reflected in Paragraph 11 of the Council Report. We continue to maintain the same.

Finally, we endorse the Arrears Resolution.

**Shoji SATO (Japan)**

At the outset, I would like to congratulate you on your appointment as Chairperson of Commission II. Under your able guidance, our delegation hopes to have a fruitful discussion on Agenda Item 12.

I would also like to thank the Secretariat for preparing the Programme of Work and Budget 2002-2003.

As I have already stated at the Plenary Meeting of the Council last week, I would like to reiterate the Japanese position that FAO's budget for the year 2002 to 2003 should maintain the Zero Nominal Growth.

I would like to say that budgetary discipline remains the Japanese Government's policy for all international organizations. Japan believes that, particularly at a time of financial constraints, international organizations, including FAO, should keep their administrative budgets to the minimum and that continuous efforts should be made to streamline and improve the efficiency of these organizations for the effective utilization of limited financial resources.

In this context, Japan highly appreciates the efforts made by FAO to restrain the budget since 1992 through the implementation of various measures for structural reforms. Then comparing the budget level since 1996, it has maintained Zero Nominal Growth for three consecutive terms.

Japan is well aware of the importance of achieving the objectives of the World Food Summit and firmly believes that further streamlining of FAO's budget would make compatible both the achievements of these objectives and a Zero Nominal Growth budget. I appreciate the Secretariat's efforts to have responded to the specific issues that I raised at the Session of the Council.

At that Session, I indicated priority areas which my delegation thought of primary importance. I shall repeat them again. Priorities should be given to cost-effective technical programmes in agriculture, forestry and fisheries. These programmes should include follow-up activities of the World Food Summit, *inter alia*, FIVIMS, CODEX (Joint FAO/WHO Food Standards Programme), IPPC, support to developing countries' participation in WTO, activities related to food and agriculture genetic resources, promotion of monitoring and evaluation of sustainable forest management and effective implementation of code of conduct for responsible fisheries including ecosystem-based management.

I would like to emphasize the importance of achieving the objective of the World Food Summit. Japan has been cooperating with FAO in the best possible way, including through individual trust funds besides its assessed contribution. Japan also renders its assistance to the Special project for Food Security (SPFS), a programme for promoting the objective of the World Food Summit. This assistance is extended to many developing countries through the United Nations Trust Fund for Human Security, which has been established within the United Nations by Japan's initiative.

As I previously explained, the Japanese economy is in a very difficult situation. The Japanese Government's debt is expected to reach to US\$ 5.6 trillion at the end of this fiscal year. Our Government is now resolved to make drastic financial and economic reforms. We firmly believe that it is Japan's responsibility towards the international community to achieve its economic recovery as soon as possible. Following the strict financial reform policy, the Japanese Government is to cut its national budget drastically, including a 10 percent cut of ODA.

However, let me assure you the Japanese Government's commitment to development assistance for developing countries. Despite its own difficult economic and fiscal conditions, Japan continues to make the largest contribution in the world in terms of ODA amount. The total value of Japan's ODA in 2000 was approximately US\$ 13.1 billion, which meant that Japan had hitherto been ranked first in the league of donors for ten consecutive years. It is providing about one-quarter of the total ODA from the developed countries. Japan will continue to be a major contributor next year. Japan will continue to be a major contributor in the years to come. But, the

time has come when we should focus on not the amount, but the quality of ODA, and we should discuss how we can make effective and efficient use of our limited financial resources for development.

Many countries face slow economic growth and suffer from heavy debt. The September 11 terrorist attacks in the United States will hurt economic growth in developed countries, as well as developing countries. The World Bank has predicted that the United States, Japan and Europe will face a slow down in 2001 and 2002. It is not the time for FAO to increase its administrative budget. At the Council last week some Members supported the Real Growth proposal, a Real Growth percentage level of 5.4 percent over the present budget. We cannot support them. We cannot support the Real Growth proposal. I regret to say that should such a substantially increased budget be approved, it would be extremely difficult for Japan to bear the assessed contribution.

***Mrs Lan Hoang, Vice-Chairperson of Commission II, took the Chair***  
***Mme Lan Hoang, Vice-Président de la Commission II, assume la présidence***  
***Ocupa la presidencia la Sra Lan Hoang, Vicepresidencia de la Comisión II***

**Mrs Neela GANGADHARAN (India)**

India had already spoken extensively on behalf of the Asia Group and on behalf of my delegation on the Programme of Work and Budget during the Council Session. I just want to make some brief observations because here we are in the Commission II and we have to make our statements so that the debate may start.

India would like to see a positive Real Growth budget approved for the following reasons.

On a general plane, we do not believe in Zero Growth budget for development. Conceptually, they are contradictory. I can well accept a Zero Growth administrative budget but on an operational budget which is Zero Growth, as I said, it is conceptually contradictory.

Secondly, there has to be consistency in the commitment of the international community made in various international fora and the direction we give to international organizations. We often find that commitments are for global good but directions are donor-driven. We have to read the writing on the wall and step up our efforts in a multi-pronged manner to tackle global iniquities. FAO, according to us, being the premier agricultural organization in the world, needs effective support to tackle agricultural production and related issues, which can greatly contribute to rural poverty alleviation. Therefore, we support strengthening of FAO in terms of resources and in terms of direction.

Thirdly, we fully support efforts made and recommended for streamlining governance, cost effectiveness in implementation of programmes, etc. As Japan mentioned in their Council statement, we particularly would like to reduce the cost of meeting expenses and implementation of competitive bidding processes, etc. We agree that the Membership need to constantly seek these reforms and evaluate the performance of the Organization. Sometimes in debates here, I find that the Growth budget advocates are often perceived as anti-reformists and *vice versa*. We do not subscribe to this view. As we said in our intervention during the Council, reforms and resourcing are not mutually exclusive. One could support the other.

Coming to the substantive issues, most of the developing countries have often argued for a balance between normative and operational programmes. Very often the field programmes have a visibility that attract excessive scrutiny and sometimes get unfairly criticized. Without a strong field programme FAO's relevance in the field of agriculture will get marginalized.

In addition, there must be predictable resourcing for field programmes from the assessed contributions. We have already mentioned, in our Council intervention, the skewed distribution that we see in field programmes between programme content and regions.

One other area of concern is the oft-repeated statements we here on high priority to fisheries and forestry. Both the sectors are extremely important. In fact, in my own country, they are critical. We have no problem with agriculture being defined in its broader sense but, given the fact that the

majority of the poorest in the world live in dry lands, uplands and marginal areas, land-based agricultural production programmes and technical assistance for increasing agricultural productivity and production cannot become subservient to other sectors. There has to be equal attention to agriculture as well.

Finally, regarding the evaluation results, we have a suggestion. A very brief pointed reference to some of the outcome of the evaluation could be made in the Programme of Work and Budget in the future, in their respective programmes when they are described in the PWB.

We support the Arrears Resolution, and hope arrears will be paid during this biennium.

Finally, in conclusion, we support a Real Growth budget.

**Noel D. DE LUNA (Philippines)**

On behalf of the Government of the Philippines, I would to again associate our view with the views expressed by the Chairperson of the Asia Group, during the Hundred and Twenty-first FAO Council held last week.

We feel that the views and argument presented by the Director General in his introduction to document C 2001/3 are meritorious enough and need not be repeated here.

The Philippines lends its full and unqualified support for his request, even if it means an increase in our assessment of our Scale of Contributions for the next biennium.

While it is true that we fall behind some of our contributions, nevertheless, we believe that this is a temporary setback and we can improve our financial position over time.

On a related matter, since FAO is using the United Nations Scale of Contributions, we believe that it will only be logical that FAO use the United System of geographical representation in its recruitment and staffing pattern.

Should the Secretariat study the system of the Scale of Contributions, we suggest that it conduct a back-to-back study of the system of geographical representation in its recruitment and staffing procedures, and submit these findings to the Hundred and Twenty-third Session of the FAO Council.

We would like to express some views on some specific items of the Programme of Work. Generally, we find it acceptable and, considering all the requests brought on the Secretariat as well as the changing priorities made by the Members, we do not have any major disagreement.

We would like to highlight the responsiveness and flexibility of the Special Programme for Food Security.

Generally the SPFS started off with the water component of the project with a view to increasing agricultural production. However, we are shifting our immediate concerns more to increasing productivity, rural income, diversification and marketing, thereby improving the competitiveness of agriculture and fisheries and lowering poverty over the long haul.

To this, we are pleased to commend the Secretariat in its quick response and flexibility as the SPFS project in the Philippines is now being designed to serve as a catalyst for a bigger and more appropriate project on market development and sustainable agricultural development.

Finally, the Philippines would like to reiterate the position expressed by the Chairperson of the Asia Group in calling for a more proactive stance of both the Regional and FAO Representative Offices.

We would like to point out that, for FAO to be a more effective organization, it may augur well to develop a consultative system with concerned national agencies for programmes or projects that espouse the needs of the country. This, too, would harmonize regional programmes with respective national programmes and projects.

**George ABRAHAMS (United States of America)**

We would like to congratulate you on having your opportunity to sit in the Chair and how pleased we are to see you there.

As we indicated at the Session of the Council last week, the United States strongly supports maintaining the FAO budget for the 2002-2003 biennium at the same dollar level as was adopted for the current 2000-2001 biennium.

In taking that position, we applaud the work that has been accomplished in recent years to streamline the Organization but we also believe there is still room for further efficiencies, savings and prioritization.

We are all aware that the world economy is entering a difficult and uncertain period. Despite the addition of burdens my country now faces, we assure you that the United States continues to strongly support the important work of FAO, as we do the broader imperative to combat poverty and one of its worst manifestations, hunger.

In that regard, we urge our fellow Members to understand that our support for these very important goals is not inconsistent with our continued calls for maximum budget discipline. Rather, it is our belief that, in the face of new challenges worldwide, it is vital to continue efforts to make the most of every dollar contributed by the FAO Membership.

We believe that FAO can still operate effectively with a biennial budget of US\$ 650 million, continuing to be vital and relevant to the challenging pursuit of food security. As we have seen from the reports we discussed yesterday, FAO has made significant, measurable, accomplishments in a number of important areas. We believe that, as programme evaluation matures further, it will increase FAO's ability to focus funding on those areas where performance is demonstrably the most effective. While this process is well under way, there is still a way to go.

The United States particularly supports FAO programmes related to forestry and fisheries. The most recent Programme Evaluation Report showed that these sectors are among the most important in delivering needed policy advice and, accordingly, we believe that warrant increased funding.

We are strong supporters of the *Codex Alimentarius Commission* and the interim Commission on Phytosanitary Measures, which have a critical role in facilitating international trade as the standard-setting bodies for the World Trade Organization.

With these and all programmes we look to FAO to continue reaping increased efficiency from the use of new technologies and the simplification of its procedures. We urge FAO to reduce costs, the rigorous tendering procedures and continue reforms in the way documents and publications are produced. We underscore the need, as expressed by the delegate from Pakistan, for adequate administrative structure.

In short, we reiterate the importance of continuing to derive maximum value from all FAO programmes. It is in this way that the agency will maintain its standing as an effective United Nations organization and continue to command support from all of its Members.

**YUN SU-CHANG (Democratic People's Republic of Korea)**

First of all, I would like to join the previous speaker in congratulating you for being selected as the Chairperson of this Committee and express belief that this meeting will secure a success under your guidance.

On behalf of my delegation, I thank the Director-General and his staff for their painstaking preparation of this document, the Programme of Work and Budget 2002-2003.

It is an important task of FAO, in the new Century, to expedite implementation of the target to halve the number of the world's undernourished by 2015, decided in the Plan of Action set forth



by the World Food Summit. To this end, it is requested to strengthen the Organization and to enhance its role.

A constructive budget and financial guarantee should be secured for FAO to play with due labour the coordinating role in the field of world food and agriculture in line with its normal mission, and for implementation of the technical and economic programme designed to assist sustainable development of agriculture and food security in developing countries.

My delegation has the view that the Programme of Work and Budget 2002-2003 submitted by the Director-General is well balanced, reflecting challenges faced by FAO and the potential to overcome it in line with its mandate. Therefore, my delegation supports the Real Growth Proposal for the Programme of Work and Budget 2002-2003.

In the implementation of the budget supported by the Real Growth, the main technical and economic programmes should not be affected in any way and the 17 percent allocation of the budget to TCP should be kept, the effectiveness of which has already been proved through cooperative activities in developing countries.

The Democratic People's Republic of Korea will, as in the past, actively take part in the activities of the Organization and make every effort to fulfil its duty as a Member of the Organization.

Finally, I would like to call on all participants to endorse with their consensus the Real Growth Proposal suggested by the Director-General, in the spirit of cooperation and solidarity for the people suffering from poverty and hunger in the world.

**Flávio Celio GOLDMAN (Brazil)**

Brazil would like to join those countries which, in the last Session of the Council and also here in the Conference, have advocated the need for FAO to streamline and enhance its procedures and increases its efficiency gains with a view to ensuring the effective utilization of existing resources. We appreciate the work which has already been carried out by FAO in efficiency savings, and we believe these efforts need to continue in the next biennium.

Brazil also considers that the decision on the budget level has to take into account the strong impact caused by the increase in contributions of many countries foreseen in the scale proposed by the Secretariat. As was said by Australia in the Council, the framing of the FAO budget needs to be done within the realities of Member Nations' fiscal capacities and preparedness to pay increased contributions from national budgets. In the case of Brazil, we have been applying very strict measures of fiscal discipline, which leaves no room for the acceptance of significant increases in our contributions to international organizations. According to the scale, Brazil is expected to have an unjustifiable increase of more than 60 percent in its contribution, which corresponds to almost US\$ 2.5 million dollars.

In the case of my country, and surely in the case of other developing countries, and we recall in this regard the very persuasive intervention of Thailand during the Council, the proposed Scale of Contributions for 2002-2003 leaves no other alternative than support of a Zero Nominal Growth scenario. This solution was adopted in other international organizations such as WHO, and we believe that FAO should follow this example.

We are confident that, through efficient management, FAO can succeed in meeting its goals without resorting to an increase in its budget level.

**Abdul Razak AYAZI (Afghanistan)**

The Programme of Work and Budget is actually the linchpin of FAO's global mandate and the prime source of its normative work. It also establishes the policy-cum-technical base for FAO's Technical Cooperation with Developing Countries and for partnership with UN Agencies, financing institutions and civil society in general. FAO's normative work and its field operations are mutually supportive and any attempt to create a distance between the two would have undesirable consequences, not only for the Organization but for the Member Nations as well.

The Programme of Work and Budget 2002-2003 is well prepared and its linkages with the Strategic Framework and the Medium-Term Plan are adequately articulated. This point has been underscored by the Programme Committee and the Council, and I need not dwell further.

The proposed budget of US\$ 769.7 million shows a modest increase over the budget of the previous biennium. The net incremental increase of US\$ 35.3 million amounts to 4.8 percent, which is very modest. The fact that the bulk of the net increase in the budget is going to Chapter 2, Technical and Economic Programmes, and Chapter 4, Technical Cooperation Programme, is welcome. In view of the catalytic effect of TCP projects for developing countries, the percentage rise in allocation for Chapter 4 is appreciated. Only 2.6 percent of the net increase is for administration.

To accelerate progress towards achieving the target of the World Food Summit, the Programme of Work and Budget as presented by the Director-General is actually the bottom line. Any budget based on Zero Real Growth would be a standstill budget. The delegation of India, a few minutes ago, argued very well in favour of a Real Growth budget and that should be supported. She also argued the danger of a Zero Real Growth budget.

My delegation would like to add a few more words about what India said. FAO is a development agency. A Zero Growth budget for any development agency is an admission that serious problems can be tolerated. This is not so. The world is full of problems. There is enormous poverty in the world and it needs to be addressed.

In the Council meeting, and even in discussing the Programme Implementation Report, calls were made for reinvigorating the technical assistance component of the Field Programme. This cannot be achieved without the backing of resources from the Regular Programme, hence a Real Growth budget. A Zero Nominal Growth budget would be detrimental to the Organization. I would like to add that Mr Wade argued very well that FAO has already been doing a lot of savings here and there, and there is no more room for savings. A Zero Nominal Growth budget would be actually highly, highly undesirable for the Organization. It would really cripple the Organization.

Chapter 2 is central to FAO's work and several Members highlighted key programmes of interest to developing countries. It would be sheer repetition for me to list them. All I have to say is that the developing countries welcome the increase in resources for Chapter 2. Also, the increase in resources for Major Programme 2.3, Fisheries, which has been requested by COFI, is fully justified, particularly the increase in inland fisheries, aquaculture and small-scale fisheries. As requested by COFO, the increase in budget for Major Programme 2.4, Forestry, is also appreciated, particularly for Environmental Conservation in Forests and Fragile Ecosystem.

The increase of US\$ 5.54 million for Major Programme 3.4, FAO Representation, deserves strong support. With respect to any new FAORs, serious consideration should be given to the countries of Central Asia, especially as Uzbekistan, which is a major agricultural country in Central Asia, has just now become a Member of FAO.

**Mme Béatrice DAMIBA (Burkina Faso)**

Je voudrais tout d'abord joindre ma voix à ceux qui m'ont précédé pour vous féliciter pour votre accession à la Présidence de notre Commission. Le point que nous examinons ce matin, à savoir le Programme de travail et budget, est sans contestation, me semble-t-il, le vrai plat de résistance de notre présente Conférence. Il nous faudra bien pouvoir le consommer et le digérer, et j'espère qu'on s'entendra.

Je voudrais me référer à la présentation faite par M. Wade pour apprécier la clarté de cette présentation ainsi que les arguments très convaincants qu'il nous a exposés. En cela, il rejoint également les mots prononcés par le Directeur général à l'ouverture de cette Conférence où il appelait notre attention sur la nécessité d'être logique dans nos décisions. Du reste, le document portant sur la Situation mondiale de l'alimentation et de l'agriculture est également très éloquent en ce qu'il expose les nombreuses difficultés qui existent encore dans la plupart des pays en développement et auxquelles il faudra faire face en matière d'alimentation et de nutrition.

Je voudrais également me référer aux nombreuses déclarations faites depuis deux jours par des Chefs de délégation qui appellent à un budget assez conséquent par rapport aux programmes. Du reste, dans son message à la Conférence, le Pape a bien rappelé que la faim est la plus impressionnante de toutes les injustices, et que si on ne résoud pas le problème de la faim, il n'y aura jamais de paix dans ce monde.

Comme l'ont dit d'autres orateurs avant moi, cette question du Programme de travail et budget a été largement débattue dans des discussions antérieures et notamment pendant la dernière session du Conseil, et là, je voudrais rejoindre une position exprimée, non seulement par le Groupe africain, mais également par le Groupe des 77, qui avait permis de noter une certaine tendance, durant la 121<sup>ème</sup> session du Conseil, en faveur de l'adoption d'un budget à Croissance réelle.

Il faut noter que même des pays en développement, dont certains en Afrique, qui ont vu leur niveau de contribution augmenter substantiellement dans le nouveau barème, ont bien voulu accepter le sacrifice par solidarité et pour la survie de notre Organisation. J'en profite pour lancer justement un appel aux Pays Membres, en particulier aux pays en développement, pour s'acquitter de leur contribution. Parce qu'il est bien beau de toujours s'exprimer en faveur d'un budget à croissance, de ne pas vouloir qu'on touche à nos programmes et en même temps, de ne pas faire un effort pour s'acquitter de ses contributions, si petites soient-elles.

Je voudrais dire qu'après huit ans de stagnation, et comme M. Wade l'a dit, nous enregistrons jusqu'à 15 pour cent en moins dans le budget depuis un certain nombre d'années, après tant de mesures drastiques d'économie qui ont bien sûr donné lieu à des gains d'efficacité reconnus par tous, il faut quand même reconnaître qu'il y a un certain blocage et que notre Organisation finit par avoir le dos au mur, à force de serrer la ceinture. Ne serait-il pas temps de desserrer un peu cette ceinture? Je veux dire qu'il conviendrait de se ressaisir pour être conséquents avec nous-mêmes, c'est-à-dire avec les ambitions que nous proclamons dans de nombreuses réunions et notamment lors des différents Comités: agriculture, élevage, pêches, forêts et également dans le Plan d'action qui a été discuté hier concernant la parité hommes-femmes parmi d'autres questions.

Le Burkina Faso apprécie à sa juste valeur l'intervention à travers le PSSA, le Programme spécial de sécurité alimentaire, et souhaiterait que ce programme qui fait l'objet d'appréciations de bon nombre d'observateurs, puisse être étendu aux plus de quatre-vingts pays qui sont éligibles, et pour cela, nous avons également besoin de nouvelles ressources.

Nous appuyons également la mise en relief du Programme de coopération technique ainsi que la nécessité institutionnelle de la FAO en faveur de nos pays.

En résumé, la délégation du Burkina Faso est favorable, évidemment vous l'aviez compris, au compromis pour un budget à Croissance réelle, soit une augmentation de 5,4 points qui équivaut à 35,5 millions de dollars des E.-U.. Je voudrais aussi dire à ceux qui souhaitent encore un budget à Croissance nominale zéro, que le Directeur général a rappelé dans l'introduction du PTV qu'il avait demandé que des propositions concrètes de coupure dans les programmes puissent être faites en même temps que la proposition d'un budget à Croissance nominale zéro. En l'absence d'une telle proposition concrète, il me semble difficile, voire impossible, d'accéder à ce vœu.

Je voudrais enfin suggérer que notre Commission recommande à la Conférence l'adoption des deux projets de résolutions, à savoir celui relatif à l'utilisation des arriérés ainsi que celui relatif à l'ouverture des crédits pour le budget du biennium 2002-2003.

**Ms Rahma M. MSHANGAMA (Tanzania, United Republic of)**

On behalf of the African Group, let me thank the Secretariat for producing a comprehensive Programme of Work and Budget 2002-2003 document which is based on the new programme model endorsed in the Strategic Framework 2000-2015.

The Africa Group appreciates the proposal of the Director-General on the next biennium. As observed, the Programme of Work and Budget is also based on the approved FAO's Medium-Term Plan 2002-2007, which has an indicative growth of 9.6 percent for the first biennium.

We welcome the proposed additional resource allocations to the Technical Cooperation Programme as well as Technical and Economic programmes specifically, the Agricultural Production and Supportive System. Increased attention to the work on Emergency Prevention system for Transboundary Animal Diseases EMPRES is encouraging. We believe, with the proposed budget, the programme, if implemented, would contribute greatly to prevention of animal diseases and therefore contribute to food security objectives.

The Group has further noted the proposed budget to support the development of regulatory framework for Food and Agriculture. This support will assist Member Nations to participate and benefit from globalization through adoption of guidelines, codes of conduct and action plans leading to national legislation.

The Africa Group however, would like to request FAO under Livestock Programme 2.1.3 to intervene fully against Tsetse flies and Trypanosomiasis. Tsetse flies limit the improvement of crop and animal production in about 37 countries of Africa and threatens human health, food security and poverty reduction initiatives. Similarly, the Group feels resource allocation for the fight against negative impacts of HIV/AIDS pandemic on food security should be increased. With increased resources FAO would also be able to assist Member Nations, especially developing countries, to cope with the scourge and advance in agricultural production, productivity and ensure food security.

Since FAO is applying the UN Scale of Contributions it appears to the Africa Group that FAO should also be in line with the UN System of geographical distribution in the recruitment of staff. In this context, the Group requests the Secretariat to undertake a study on this issue and to submit its findings to the Council at its first Session next year.

FAO has maintained Zero Nominal Growth Budget for three consecutive terms since 1996, despite increasing demands from its Member Nations. It is worth noting several calamities that have led to severe suffering to the people and economic setbacks. Such calamities have pulled developing countries several steps behind and made the realization of the World Food Summit targeted to halve the 800 million hungry people, a difficult task, that calls for extended efforts nationally and internationally. Increased resources are, therefore, inevitable to reverse this trend.

The Africa Group appreciates the efforts made by FAO to increase efficiency savings through various means. We are of the opinion that efficiency saving should be an on-going consideration that should always guide proper utilization of resources voted to FAO. Efficiency savings should not replace resources which are planned as a result of increased demands from Member Nations.

The Africa Group support the need for FAO to prioritize its activities and utilize resources more efficiently in areas of high comparative advantage and also to enhance African competitiveness. The Africa Group however, does not believe that FAO will generate adequate funds through efficiency gains to ensure that programmes in place to eradicate food insecurity and poverty are sufficiently implemented. In this respect, the Group therefore strongly believes that in order for FAO to implement fully the Work Programme proposed its budget should be based on Real Growth scenario.

**Deptha KULATILLEKE (Sri Lanka)**

We wish to confine our intervention to the budget level on which we are seeking consensus at this important gathering.

Current world developments especially the global economic slowdown requests more convincing responses from the Member Nations. This crisis situation has already threatened to disturb the development effort of many Asian countries. It demands that we redouble our efforts to fight hunger and food insecurity with a firm commitment.

FAO Field Programmes especially increased assistance under the Technical Cooperation Programme should play a major role in responding to requests from Members Nations to overcome their difficulties in the short-and medium-term.

Along with the other developing countries, the delegation of Sri Lanka wishes to support a Real Growth budget scenario for the next biennium, as proposed by the Secretariat.

**Grégoire NKEOUA (Congo, République du )**

Après l'intervention des honorables délégués du Burkina Faso et de la République unie de Tanzanie nous allons être assez brefs. Nous voulons d'abord remercier le Secrétariat pour les éclaircissements donnés sur le Projet de Programme de travail et budget 2002-2003.

La délégation congolaise, comme celles qui l'ont précédé, soutient l'option d'une croissance réelle du budget étant donné les nombreuses sollicitations des pays, notamment les pays en voie de développement, auprès de la FAO pour appuyer leurs efforts de développement dans les domaines de l'agriculture, de l'élevage, des forêts et des pêches. Il faut réduire le nombre d'affamés, de malnutris, il faut conserver les forêts pour stabiliser le climat, pour préserver la biodiversité.

Les besoins de financement sont en pleine croissance et l'on ne peut imaginer que les fonds alloués à la FAO n'augmentent pas. Notre délégation insiste également pour le renforcement des activités de terrain au détriment des dépenses administratives. De ce fait, la FAO doit continuer à faire des efforts pour une gestion efficace afin d'optimiser ces ressources.

Après notre intervention sur ces questions d'ordre général nous voulions avoir quelques précisions sur certains chiffres, notamment à la page 6. Nous avons une augmentation de 118,1 pour cent en ce qui concerne la gestion du Programme dans le Chapitre Programme technique et économique pendant que les autres rubriques de ce Chapitre, notamment l'Assistance aux politiques et les Opérations de terrain, ont eu une augmentation inférieure à 10 pour cent.

A la page 164, au point 3 535, il est fait allusion au suivi des progrès réalisés par les pays en matière d'aménagement. Nous souhaitons également qu'à ce niveau le rôle de coordination que doit jouer la FAO dans le cadre de l'élaboration et d'application des critères indicateurs de gestion durable ressorte clairement pour une question de cohérence, étant donné les multiples initiatives qui sont mises en œuvre au niveau mondial.

Au point 536, nous voudrions connaître le mécanisme mis en œuvre pour les programmes forestiers qui sera mis au point.

A la page 166, nous voudrions avoir des précisions sur les nouvelles initiatives envisagées être mises en œuvre en Afrique centrale et en Asie et qui viseront la croissance des superficies des forêts gérées de manière durable.

Enfin à la page 169, en ce qui concerne les produits forestiers, outre l'amélioration de l'information sur l'utilisation, la production et la commercialisation des produits forestiers non ligneux, nous pensions qu'il est indispensable d'améliorer la connaissance des potentialités à travers des programmes d'inventaire. De même, nous pensions et souhaitons vivement que des actions soient menées de manière à appuyer les États dans la domestication des essences ou des espèces fortement exploitées et en voie de raréfaction.

**Roseley Bin KHALID (Malaysia)**

We will not repeat in length what we have said during the Council but would like to highlight again a few points of concern.

First, we welcome the importance given by the PWB programmes on Agricultural Production and Support System, on Food and Agricultural Policy and, Development on Policy Assistance, Field Operations and Technical Cooperation. These programmes support directly the World Food Summit Plan of Action. We hope that besides increasing the allocation for these programmes, FAO's work at country levels in these programmes should be further intensified.

FAO is an important source for latest technologies needed to increase farmers' productivity on a sustainable basis. Developing countries, like Malaysia, constantly seek technical assistance for capacity-building, especially in the areas of biotechnology and bio-security.

Malaysia has been working with FAO in the areas of plant protection and is pleased to inform that it is ready to accept the revised IPPC. Malaysia has also been working with FAO on issues related to pesticide management practices and hopes that FAO continues to invite participation of experts from developing countries who could contribute not only their expertise but their valuable experiences which are relevant and important.

Malaysia would also like to commend FAO on its programme that focuses on increasing farm productivity and income through the promotion of market-oriented farm production; through improved processing, preservation, storage and produce handling technologies, and through the promotion in the use of farm machinery and equipments. Another effort that warrants mentioning is the programme that provides trade policy advice to developing countries, in order to strengthen their capacity to participate effectively in trade negotiations.

As we have mentioned during the Council, we would like to reiterate our concern on the issue of distribution of budget both the programme of work and the extra-budgetary resources to the Asia Region. Being the most populated undernourished region in the world, we would expect the allocation of budget to reflect the importance given in trying to improve the undernourished situation in the Asia region. We hope that FAO will re-look into the causes that lead to the low budget distribution to this region and propose remedial measures to improve the situation.

We believe that, through stronger coordination and facilitation efforts by FAO, especially the FAOR in the Region, a more cohesive interaction can exist between the Member Nations involved and the FAOR to identify the focal points of development, the assistance required, the most appropriate and suitable programmes and projects to be implemented, and together take strong initiatives to seek donors for the source of funding needed to improve the food security situation in these countries.

Finally, allow me to reiterate again my country's position on the budget level. During the Council we have expressed our amazement at FAO's capabilities to still manage and sustain the number of undernourished to around 800 million for the past few years. We have also expressed our concern and worry that if the budget continues to decline or remain stagnant, the Organization will find great difficulty in delivering its promises to satisfy the pressing needs and requests from the developing nations. We have strong feelings that even with the most effective costs savings efficiency measures, the Organization and we the Members could never be able to achieve the new target of reducing the number of undernourished to about 22 million a year.

My delegation, like many others here in this commission, believe strongly that the most acceptable budget for all of us would be a Real Growth budget. Only with a Real Growth budget will we be able to successfully implement the Plan of Action, meet our obligations and our pledges that we have committed in the World Food Summit.

**Christian MONNOYER (Belgium)**

I am speaking on behalf of the European Community and its 15 Member States.

The European Community and its Member States welcome this Programme of Work and Budget (PWB) which is the first one to be presented under the new arrangements for planning, budgeting, reporting and evaluation, pioneered with the Strategic Framework, endorsed by FAO's Thirtieth Session of the Conference in 1999. This evolving system is an important contribution to improving governance in the Organization. An important factor is the consistency of the proposals in the PWB with the Strategic Framework 2000-2015 and the Medium-Term Plan 2002-2007. The placing of detailed information on the Internet is welcomed and that we would like to see further use of electronic media for transferring information. The new parts of the PWB on Regional Dimensions and on Extra-budgetary resources increase transparency and facilitate the overall understanding. The addition of "Regional Dimensions" is of particular interest to the largest contributing region to this UN Specialized Agency. We welcome and have followed closely the discussion to which this presentation had given rise, and we have noted the shares of benefits to the different regions.

We are pleased to note: the full application of new programme model; the treatment of Priority Areas for Inter-disciplinary Action (PAIAs); the explicit discussion of efficiency savings and organizational changes; and the commentary on extra-budgetary resources at the level of technical programmes. We hope to embark on a dialogue, based on transparency and openness, on the allocation and use of extra-budgetary resources, taking into account the needs of developing countries, the policies of the contributing countries and the needs of the Organization.

However, the European Community and its Member states would have liked to additional budget scenarios as requested by the EU and others at the June Council. We believe that it is important to continue with the consensus approach, which ensures the smooth-running of the Organization. In order to have a substantial discussion on this subject; different options need to be on the table. The Secretariat is best placed to detail the ramifications of different budget levels. It is our belief that the programme content is the first and vital factor, and that the budget translates the orientations of that programme. We the Member States need to see the different levels of activity that the Organization can propose in order to make an informed choice. We have not had a satisfactory explanation why a range of budget scenarios, requested by the Membership could not be produced. We shall find it much easier to consider the draft Programme of Work and Budget 2004-2005 if the wishes of the Membership in this matter are respected.

In order to improve the Organization further, it is important to quantify prospective – as opposed to achieved – efficiency savings, which is missing in this document. We understood from the Secretariat last week that prospective efficiency savings, valued at some US\$ 4 million are in fact incorporated in the PWB. It follows that the output of the Organization will be higher by this amount. The Council was pleased to see these efficiency savings, and encouraged the Secretariat to continue this work for the good of the Organization. We noted that Council took a close interest in the subject of efficiency.

We have previously suggested that FAO should use the well-tried system of objective benchmarking to validate its levels of efficiency. This would, we believe, be in the interests of the Secretariat and the Membership.

We would have liked to see a systematic treatment of the six vitally important "cross-organizational strategies" agreed in the Strategic Framework and the Medium-Term Plan. These deal respectively with: ensuring excellence, enhancing interdisciplinarity, broadening partnerships and alliances, continuing to improve the management process, leveraging resources for FAO and its Members, and communicating FAO's messages.

For the next biennium's Programme of Work and Budget exercise, we expect that the request of the Hundred and Twentieth Council be accommodated, that is submitting to the Committees on Agriculture, on Fisheries and on Forestry detailed advance information on the Programme of Work and Budget proposals in their respective area, in order for the technical committees to again perform their substantial and central function to "review the work programme of the Organization...". We are encouraged by the Report from the Programme Committee in this respect, and the Report of its Chairman to the Council last week, and we look forward to its full implementation. We are grateful to the Secretariat for its undertaking to find a sensible solution.

The European Community and its Member States are aware of the fact that a forward purchase contract of Euros has raised the Organization's purchasing power of budget struck at a current level of US\$ 650 million by nearly 9 percent, which obviously makes a significant difference to the budgetary position of the Organization. Among other things, it very largely offsets the substantial cost increases previously envisaged. We note the positive effects of the forward purchase of Euros but remain, nevertheless, concerned that a decision of such financial magnitude should have been taken without reference to the Governing Bodies. If such a step should be contemplated in future, we would expect the Finance Committee to be consulted first. We are glad to note that work is in train on the question of changing the functional accounting currency of FAO from Dollars to Euros and look forward to discussing this in 2002.

At the Hundred and Twenty-first Session of the Council, we again pointed out that FAO is the only agency for agriculture, forestry and fisheries on a global level. We, among others, have consistently made the point that forestry and fisheries should attract a substantially larger share of resources. This is partly on the grounds that some hundreds of millions of poor people depend upon forestry and fisheries for their livelihood, and partly due to the fact that remarkable changes have occurred in the relative economic, social and political importance of the three main areas of work of FAO. Despite the marginal increases in resources allocated to Forestry and Fisheries, the EU continues to request a considerably larger share of regular resources to meet the challenges in these areas. We also believe that adequate resources should be allocated for FAO's work for food safety and genetic resources. The Secretariat told us last week that resources were, in fact, being shifted under the interdisciplinary and cross-sectoral strategies. We would welcome further elucidation by the Secretariat on this. In the field of Forestry, additional resources should be allocated to Programme 2.4.1, Forest Resources, where, for example, the forest resources assessment and work in criteria and indicators are important tools, and to Programme 2.4.4, Forest Programme Coordination and Information, to ensure FAO's continuous contributions to the work of UNFF, and, in the field of Fisheries, to the implementation of the Code of Conduct for Responsible Fisheries, and for the strengthening of regional fisheries' organizations under the Programme 2.3.4, Fisheries Policy.

The document C 2001/LIM/15 proposes a departure from the Financial Regulations which apply to handling of arrears. We are prepared to discuss this on the understanding that we are faced with an exceptional situation and that any decision which we will take shall not constitute a precedent. This is the second Conference at which we have been asked to waive the Financial Regulations. We do not wish to find ourselves in this position again. Self-evidently, one-off payments of arrears can only be used for one-off expenditures; they must not add to the recurrent obligations of the Organization. The proposals in C 2001/LIM/15 seem to satisfy these criteria. The question, therefore, is whether the proposals represent the top priorities for one-off expenditures. If the arrears are not, in fact, paid during the next biennium, it would be necessary to reconsider how best to finance essential investments in administrative structures.

As for the level of the budget, we note that, as a result of the purchase of Euros, a Zero Real Growth budget is hardly an increase compared to the budget of the present biennium. We believe that scope remains for increasing efficiency gains, for example by streamlining the Organization's cumbersome procedures. We further believe that a more efficient division of labour between international organizations would lead FAO to progressively reduce activities in which it lacks comparative advantage. All these elements should be taken into account in deciding on the budget level.

*Carl Josef Weiers, Chairman of Commission II, resumed the Chair*  
*Carl Josef Weiers, Président de la Commission II, résume la présidence*  
*Retoma la presidencia Carl Josef Weiers, Presidente de la Comisión II*

**Brett HUGHES (Australia)**

Australia made detailed comments on the Programme of Work and Budget during the preceding Council Session. We, therefore, wish only to make a few brief comments here to reiterate our views on key aspects of the proposed Programme of Work and Budget for 2002-2003.

Australia welcomes the improved management framework implemented in FAO over the recent biennia. Australia also welcomes the range of savings achieved over recent biennia from efficiency measures. These are positive developments. While welcoming these improvements, Australia nevertheless considers that greater efforts need to be made by FAO to more effectively prioritize the work of the Organization on areas where it has a clear comparative advantage. As Australia has previously indicated with regard to programme priorities, Australia sees the work of the Codex Alimentarius Commission and the International Plant Protection Convention Secretariat as two vital programmes where FAO has a clear role and comparative advantage. Likewise, work in the fisheries and forestry programmes and FAO's trade-related and capacity-



building work in this area are also areas of priority for Australia. Accordingly, we would wish to see a greater shift of resources into these programme areas relative to other programme areas.

In framing the overall budget level, Australia would wish to again emphasize that this needs to be done within the realities of Member countries' fiscal capacities and preparedness to pay increased contributions, as well as the scope to achieve better management and prioritization of activities from within existing resources. It is within this context that Australia does not support the proposal for a Real Growth Budget. Australia is committed to Zero Nominal Growth as a ceiling for all UN Agencies and therefore Australia considers that the FAO budget level should not exceed US\$ 650 million for the next biennium.

**Percy Wachata MISIKA (Namibia)**

I also, once again, wish to congratulate and commend Mr Wade for presenting such a comprehensive, well-formulated, well-motivated and crystal clear Programme of Work and Budget for the biennium 2002-2003.

This document has been before us for some time now. It has been comprehensively scrutinized by Members, dissecting it through and through, and suggesting, as they did so, areas where improvements were necessary. These improvements, in our view, have been incorporated, or have been addressed satisfactorily, in the latest edition of the Programme of Work and Budget before us. To our recollection, one issue, and one issue only, remains unresolved thus far, that is the budget level for 2002-2003.

Namibia welcomes, and indeed concurs, with the priorities identified for modest increased resource allocations during 2002-2003. We view these priorities to be in line with the Mid-Term Plan that this Conference approved for FAO. We note with satisfaction the humble resource allocation increases to the technical and economic programmes, especially as they relate to agricultural production and support systems, fisheries and forestry. We also further welcome the 11.6 percent increase proposed for the TCP component under Chapter 3. Having said this, we are highly disappointed by the envisaged reduction of resource allocation of 18.1 percent to a very important component of the Programme of Work and Budget, that is the field operations. However, we understand the context within which this painful decision has been made and we shall, therefore, not insist on reversing this decline.

Namibia endorses the proposed Real Growth budget level for the year 2002-2003. The rationale for Real Growth budget has been well articulated by the Chairman of the Africa Group, United Republic of Tanzania, followed by Burkina Faso, India, Pakistan and many others who have spoken before us. It has also been well motivated by the presentation of Mr Wade. Those advocating Zero Nominal Growth budget level call for more reforms accompanied by efficiency savings. Namibia subscribes to the need for reforms. We are staunch advocates of the principle of efficiency savings. However, as pointed out by Pakistan during the Council debate on this item, real efficiency savings only accrue when the same or more outputs are achieved using fewer resources. To the contrary, efficiency savings become unbearably costly if such savings result in a reduction in outputs with deleterious effects.

Africa is engulfed by food shortages as agricultural production continues to stagnate, with levels for agriculture, cereals and food in 2002 being virtually identical to those attained in 1990. I am quoting from the State of Food and Agriculture Report. This, in the face of high population growth rates, bringing with it more mouths to be fed and, further, in the face of alarming poverty, glaring unemployment and worsening standards of living. If FAO is to assist these people in extricating themselves from hunger, and if FAO is to assist Africa in ensuring the right of its people to adequate food, then the minimum resources by FAO to effectively execute its crucial role should be considered favourably. A Real Growth budget, minimal as it is, will go a long way in enabling FAO to carry out its noble mandate.

Finally, Namibia endorses the proposed declaration on the use of arrears.

**Mrs Wafaa Mohamed YOUSSEF (Egypt) (Original language Arabic)**

We know that the entire world is facing a very difficult economic predicament, nonetheless, FAO continues to play a critical role in agriculture throughout the world and thus it must rise to the challenge which faces the world in respect to agriculture and food security. That means we must enhance and strengthen the work of FAO and give it our full support. This is why we call upon the Director-General, who has advocated Real Growth of the budget, to persevere, despite the fact that this will entail an increase in the Scale of Contributions for Member Nations. We wish to express the importance of the Field Programme and we concur with the programme priorities that have been proposed. We also endorse the increased allocation to the Technical Cooperation Programme as proposed, in order to meet the needs of Member Nations, and given the importance of the TCP Programme for developing countries, we also endorse the Food Security Special Programme which we think should be expanded. We also endorse the EMPRES Programme as well.

To conclude, we wish to stress the importance of having a more effective administrative structure as well.

**Natigor SIAGIAN (Indonesia)**

Let me congratulate you Mr Chairman and all the Vice-Chairmen on the leadership of these very important Commissions. We believe that under your leadership we can go very smoothly and reach a very successful Commission task and responsibility.

My delegation believes on the principle of using the budget with the maximum value to the Member Countries. My delegation believes in the wisdom of the Director-General, when he presents the Programme of Work and Budget as one of the most reasonable scenarios, in line with the economic capability of the Member Countries in contributing their responsibility for implementation of this programme.

We need a development for the developing countries. Therefore, in line with this, we want to support the statement of my colleague from India and my colleague from the Philippines. We need to strengthen the capability of FAO in servicing the developing countries, specifically the LIFDC's.

In a very specific intervention, my delegation would like to ask your attention for the continuous strengthening of the work of the Regional Offices of FAO. Including the continuous strengthening of the work of the Country Representatives of FAO in the Member Nations.

We would also like to support the Technical Cooperation Programme. TCP is one of the important components of the activities of FAO in helping the Member Nations overcome the difficult situations which they face. Therefore, my delegation wishes to see the maximum possible contribution towards TCP within the Programme of Work and Budget.

In line with the statement of my colleague from Malaysia, we would like to request your kind attention to possible fair distributions in the Programme of Work and Budget on a Regional basis. The Asia agents need a fair attention on the problem of food security and in their programme to fight hunger and poverty.

With regard to Forestry, we welcome the proposed budget, specifically mentioned in 2.4.3 and 2.4.4. We need to strengthen the work of FAO in supporting the Member Nations in forest policy and planning and in the field of the forest programme coordination and information.

I wish to refer to paragraph 536 and wish to express the Indonesian commitment on the sustainable forest managements. Indonesia is now preparing a national forest programme and in this regard we express our thanks and appreciation to the Government of Germany, Japan and the United Kingdom in providing their expertise and funds to accelerate this work. We also welcome FAO's possible cooperation in this field.

On the policy assistance to the Regions, we take note of programme 3.1.2 and we support, specifically, the advice on capacity building in agriculture policies and its advice in the Forestry sector.

We would like to repeat that we welcome the explanation under the chapter of regional dimension. This is a very important thing that we would like to see in the implementation in the future.

We would also like to welcome the work of FAO in CODEX and in strengthening the participation of the developing countries in the WTO Multilateral Trade Negotiations on Agriculture, Fisheries and Forestry.

Lastly, we would like to underline the need to strengthen the work in TCDC. The Indonesian farmers, in the past, were very actively contributing to this work and they welcome the continuation of FAO's cooperation in this field.

Let me also put on record that my delegation will possibly ask for the floor at a later stage.

**WEN QIULIANG (China) (Original language Chinese)**

I would like to thank Mr Wade for his introduction on the PWB for 2002-2003.

The Chinese delegation noted that in the past three biennia, FAO has had no increase in the budget. This has created certain difficulties for the Organization's work and the services for the Member Nations.

In this year and previous years during meetings, discussions, on the Strategic Framework, all Member Nations expressed their strong hope of increasing the programmes and technical programmes. In order to meet this requirement we need to increase our resources. It is obvious that Zero Nominal Growth can not meet the requirement of FAO's programme and the requirement of most of the Member Nations. Therefore, we believe, to a certain extent, it is understandable that the Director-General raised this new PWB for 2002-2003.

However, we have also noted that because of the readjustment of the Scale of Contributions of FAO and because of the uncertainties of the world economy, some countries have met a certain financial payment difficulty. Therefore, we believe that while formulating the PWB for FAO, we should consider the requirement of the development of FAO and also satisfy the requirement of most of the Member Nations, for FAO, servicing those Member Nations.

At the same time, we should consider the situations of all countries in order to have a win-win solution.

Now I would like to offer a few viewpoints on behalf of the Chinese delegation.

First, on Major Programme 2.2, we believe FAO should continue to intensify its assistance, in terms of policy and consultation. Particularly, further support of developing countries, active participation in the world's food and agriculture activities, with a view to formulation of technology and legislation standards. FAO should encourage and support the developing countries to actively take part in multilateral trade negotiations.

Therefore, China supports in the Programme 221P6, to increase the resources for Food Safety Assessment and Rapid Alert System.

Rather than reducing resources in Programme entity 221P2, Joint FAO/WHO Food Standards Programmes, (Codex Alimentarius) these resources should be increased.

Second, on Major Programme 2.5. This Programme emphasizes the role of women in developing agriculture. However, in many developing countries there is a very serious situation of hunger and malnutrition. Some developing countries have seen some good trends of supply meeting demand, even supply exceeding demand. This is very good.

In order to achieve sustainable development we should make limited resources into a binary circle. We hope FAO will strengthen our work in this area.

Third, on language balance. The Chinese delegation appreciates FAO's effort in implementing the guiding spirit of 1999's Council and Conference and increased the number of publications in Chinese and Arabic. China supports the work done by FAO in achieving language balance. We hope FAO continues this effort, in order to reach a real fair balance among all five working languages of FAO, particularly the meetings, publications and information published on the Internet.

Fourth, on Technical Cooperation Programme, TCP has played a very important role in promoting a support in developing countries agricultural production and like many other countries, the Chinese Government always supports FAO's TCP. Therefore, we support the Director-General's proposal to increase an additional US\$ 3.74 million on the basis of the 2000-2001 budget, reaching the total US\$ 95.195 million, accounting for 12.93 percent of the total programme. However, this share in 2000-2001 was only 12.45 percent. We believe this percentage is still quite low and cannot meet the requirements of most of the Member Nations, which is far from the requirement of 17.9 percent in the Resolution of 1989.

The Chinese delegation supports FAO and the Director-General's requirement on increasing the resources for TCP. We hope that FAO, in its future programmes, constantly increase the share and the resources for TCP, in order to make them reach 17.9 percent by the end of the Mid-Term Plan of 2002-2005.

On the Special Programme for Food Security, the Chinese delegation endorses FAO's Special Programme for food Security and supports the Director-General's proposal to expand this Programme. We hope FAO will take real actions to expand this Special Programme for Food Security.

FAO has achieved a success in the pilot project in China's Central Province. In order to further extend this experience to China's western and other regions, we are now preparing an international workshop. We noted with concern that in programme 2.5.6 of 2002-2003 PWB, there is no increase in supporting national food security programmes in LIFDCs. On the contrary, there is a reduction of US\$ 574 000. We believe this should be increased.

Also we wish that FAO, while expending this special programme, continues to seek extra-budgetary sources and donor assistance and never miss any hopeful chances.

Sixth, on COFI's Sub-committee on Agriculture, based on ZRG, programme allocation for resources in the Fisheries sector only increased by US\$ 374 000, that is a 0.95 percent increase. That is a cause for concern. I wanted to point out that at this year's COFI and Council meetings they approved an establishment of a Sub-committee on Agriculture. FAO should allocate resources to this Sub-committee in order to allow this Committee to operate normally. Although, as pointed in paragraph 501, there was extra-budgetary sources. However, FAO should have its own budget to carry out organizational work and hold meetings in the future. Therefore, China believes we should give more resources to 2.3.2.A1 rather than reduce resources in this sector.

**Jesús Eugenio HUERTA GONZÁLEZ (México)**

La delegación de México lo felicita por su elección y la de los Vicepresidentes para conducir los trabajos de esta Comisión.

Mi delegación desea expresar su reconocimiento a la Secretaría por las actividades propuestas en el Programa de Labores y Presupuesto 2002-2003, particularmente las referidas a los recursos genéticos, la normalización y la sanidad agropecuaria, el diseño de políticas y programas, así como las políticas relativas al fortalecimiento de la capacidad de los países en materia de negociaciones comerciales multilaterales.

Mi país considera importante destacar que el desarrollo tecnológico y el financiamiento son dos catalizadores del desarrollo agropecuario. Estos son los elementos que deberán mantenerse y reforzarse en los trabajos de la FAO en el corto, mediano y largo plazos.

Por otra parte, deseo señalar que mi delegación considera viable y conveniente la propuesta de presupuesto que se basa en el Programa de Labores y Presupuesto 2002-2003, es decir el crecimiento real cero permitirá que la FAO continúe cumpliendo su función y las actividades de apoyo y cooperación para el incremento productivo y la lucha contra el hambre. Estamos convencidos que, en la medida que la situación económica internacional y de cada uno de los Estados Miembros lo permita, el presupuesto debe fortalecerse. Será ésta una forma de contribuir a alcanzar la meta para la que fue creada nuestra Organización.

Sé que el tema de escala de cuotas será tratado en otro momento de la Conferencia. Permítame recordar ante esta Comisión la postura del Grupo de América Latina y el Caribe manifestada durante el 121º Consejo. Es indispensable constituir a la brevedad un grupo de trabajo que identifique soluciones para aquellos estados gravemente afectados por la Escala de Cuotas.

México espera que antes de que concluya esta Conferencia se hayan encontrado y aprobado las soluciones más viables.

Aprovecho que hago uso de la palabra para dejar constancia, así mismo, del reconocimiento de la Delegación de México por la contribución y excelente labor de los Presidentes de los Comités del Programa y de Finanzas.

**Ms Lan HOANG (Canada)**

First of all, we would like to express our thanks to the Secretariat, and especially Mr Wade, for their tireless efforts in putting the budget proposals together.

We also would like to say that, first, the work that we are doing here is critical to an orderly, predictable and responsible budget process.

Second, both the Member States and the Organization have a stake in ensuring a positive conclusion to these budget negotiations. Third, we believe that reaching decisions by consensus is the key to the effectiveness and credibility of FAO, as a global body. The broadest possible agreement sends a clear and positive signal to our support for the Director-General and for the role and activities for FAO.

This Commission has a key role in examining all aspects of the proposed budget. It must ensure that the proposed budget reflects the weight given to essential programmes and activities when we approve the Medium-Term Plan. Equally important is the need to ensure that the proposed budget is based on effective programme planning, results-based budgeting, monitoring and evaluation.

We need to find a budget level that allows for implementing FAO's priority activities in the most efficient and effective way possible.

The starting point of my government is that the Programme budget is a costed Programme of Work to be implemented in one biennium. The new approaches to programme planning and budgeting already adopted, or under way, in FAO provide the Director-General with a better set of tools than in the past to make this commitment.

For example, there is a greater flexibility inherent in strategic budgeting, for choosing activities and reallocating resources, and the integration of planning and monitoring with budget and accounting systems will increase the accuracy of expenditure management and financial forecasting.

We welcome the forecasts of modest increases given to key priorities for Canada, namely the forestry and fisheries sectors, as well as the Secretariat for the implementation of international conventions and standards such as the IPPC, PIC and CODEX.

Regarding the FAO staff programme, we would urge that this programme be accorded a high priority and the additional resources required, regardless of the level of the budget eventually determined by the Conference.

We are pleased to read, in paragraphs 89 to 112, that efforts will continue towards efficiency savings.

Canada continues to believe that FAO, like any other organization, should continue to reform with a view to becoming more efficient, more effective and more productive.

Canada continues to emphasize rigorous budgetary discipline and a focused use of resources as crucial components of good governance and essential elements of the broader context of United Nations reform.

The Budget and the Programme of Work, being the main instrument for furthering the Organization's objectives, should be dynamic and evolving tools.

There is a need to prioritize rigorously, pursue efficiency savings and identify obsolete activities.

It is incumbent upon Member States to ensure that resources and activities are targeted to address key issues and challenges.

No activity of FAO should be exempt from critical scrutiny. If there are resources which are no longer advancing key objectives, those resources should be redeployed to agreed priority areas.

Canada is prepared to give serious consideration to all options for meeting the resource requirements set in the proposed budget. This commitment, however, must be balanced by continuing progress in creating a modernized and effective organization that delivers full value for money.

We appreciate the Director-General's dedication to these goals and we remain committed to helping achieve them, so that FAO can move forward with its work around the globe.

My delegation looks forward to reaching consensus on the budget. Our challenge is to negotiate efficiently, effectively and transparently. We expect the budget to be implemented in a similar fashion.

**Issam Mahgoub ZAWIA (Libya) (Original language Arabic)**

I have the pleasure, at the outset, to congratulate you on being elected for the Presidency of this meeting and I wish you all the success in your work.

I would also like to thank Mr Wade for all the clarifications that he has given regarding this document.

My country welcomes the Programme of Work and Budget for the years 2002-2003 in its new form, which took into consideration the main orientations of FAO in the long term, in accordance with the Strategic Framework. It is also consistent with the Medium-Term Plan. It also took into consideration the solicitations of many of the Member Nations.

We believe that the Programme Committee and the Financial Committee, as well as all technical committees, have contributed to the improvement of this document in such a way that it became clear and balanced, and it takes into consideration the international commitments on the part of the Organization.

The delegation of Libya highly appreciates the role of the budget in catering to the needs of many programmes, including the TCP. We hope that we will make use of this support, in order to improve performance in areas where evaluation has shown that greater attention should be given by the Organization.

Also, we should take into consideration that we need to highlight the skills of the Organization, especially as far as field activities are concerned, ensuring that they are undertaken in a more simplified way to improve productivity and preserve the natural resources of developing countries, and also to achieve food security.

Finally, we endorse the Programme of Work and Budget proposed according to the Real Growth scenario because we believe that an acceptable level that caters to the needs and requirements of the Organization, on the international and regional levels, and the level of our countries is, indeed, the Real Growth scenario.

**Carlos Alberto AMARAL (Angola)**

Je serai bref. Je voudrais, avant tout, m'associer aux délégations qui m'ont précédé pour féliciter le Président pour son élection et remercier le Secrétariat pour la qualité du document qu'on nous a présenté.

Ma délégation voudrait s'associer aux délégations qui ont proposé un scénario de croissance réelle, parce que face au problème à résoudre par la FAO pour garantir une réponse adéquate aux besoins croissants en matière d'agriculture, de pêche, de forêt et de sécurité alimentaire, cette option est la meilleure alternative pour lutter contre la faim et la pauvreté.

Nous sommes d'accord qu'il faut continuer à chercher l'efficacité, le renforcement de notre Organisation. Nous félicitons la Direction de la FAO pour tous les efforts qui ont déjà été déployés dans ce sens.

Ma délégation voudrait soutenir la déclaration faite par la délégation de la République unie de Tanzanie sur l'action particulière de la trypanosomiase qui est la maladie provoquée par la mouche tsé-tsé et qui affecte la plupart des pays du continent africain et des autres régions de l'univers. Ma délégation désire que ce point soit inscrit dans les recommandations qui sont approuvées par cette Commission.

Pour terminer, nous sommes d'accord pour l'utilisation des arriérés.

**Ms Malgorzata PIOTROWSKA (Poland)**

First of all, allow me to thank the Secretariat for the comprehensive presentation of the Programme of Work and Budget for the next biennium. In particular the review of efficiency savings and organizational changes and especially the continuing restructuring of the Organization, in order to better adapt to the changing environment and response to the needs and requests of the Member Nations, are very much appreciated.

Full support is expressed for the important work and activities by FAO to support the International Undertaking on Plant Genetic Resources, the International Plant Protection Convention and the Rotterdam Convention on Chemicals and Pesticides, as well as the *Codex Alimentarius*. These are well-established activities, where FAO's role is unquestioned with benefits for all Members.

In this context and recalling the events of recent years, support and recommendation for further cooperation in the field of food and feed safety, both regarding outbreaks of animal diseases and food and feed contamination, are expressed. This clearly is an area where FAO has a role to play.

I would like to make some specific comments of activities and programmes which may be considered of importance for the European Region, thus addressing the regional dimension to which the document devotes considerable attention. These regional dimensions are to be developed during the forthcoming Regional Conference for Europe next year, and perhaps these comments will serve to define areas which deserve more emphasis.

FAO has a well-established position in normative work on global assessments and forecasts concerning the medium- and long-term view of food and agriculture. Thus allow me to express strong support for work already undertaken and that planned, as part of the Global Perspective Studies, concerning the situation and prospects of agriculture in the European Region in the forthcoming biennium. There is particular interest in the forthcoming full report of the study *Agriculture: Towards 2015-30* and the scenarios of global and regional perspectives. Obviously, these activities and the Global Information and Early Warning System need to devote adequate attention to the situation and constraints to agricultural revival in the CEE and CIS countries.

We also look forward to FAO's normative work and analytical reports on agriculture and rural development and analysis of experience in poverty alleviation and sustainable rural livelihoods, as these may provide guidance for some CEE and CIS transition economies.

**Sra. María Eulalia JIMÉNEZ DE MOCHI (El Salvador)**

En la reunión del 121° período de sesiones del Consejo, el Grupo de América Latina y el Caribe señaló algunas cuestiones que nuestra delegación comparte plenamente. De dicha declaración quisiéramos reiterar la importancia de que la FAO tenga siempre en cuenta en la implementación de este PLP, el Marco Estratégico 2000-2015 así como el Plan a Plazo Medio 2002-2007, que parte de la base de las prioridades de las diferentes regiones y países en su lucha contra la pobreza y su búsqueda del desarrollo. Reiteramos así mismo la necesidad de que se le asigne a nuestra región un mayor porcentaje de presupuesto de la FAO del que se prevé, teniendo en cuenta las disparidades que existen frente a otras áreas geográficas, en especial en los fondos destinados a programas de producción agrícola y pesquero y en los servicios de apoyo.

Asimismo nuestra delegación considera fundamental la revitalización del Programa de Campo de la FAO en el cual hemos observado, lamentablemente, una tendencia a la baja. Por otra parte para la delegación de El Salvador, resulta de particular importancia y así lo señalamos al examinar el primer tema de nuestra Comisión, el impulso que se le dé al Programa de Cooperación Técnica de la FAO. Compartimos asimismo la mayor importancia que este PLP se le ha dado a los programas de pesca y montes tal y como había sido solicitado.

Consideramos que la FAO debe reforzar sus actividades relativas a la asistencia que preste a los países orientadas a lograr la rehabilitación del sector agrícola después de desastres naturales que con tanta frecuencia afectan a nuestros países.

Para nuestra delegación también sería interesante y conveniente poder contar con información que refleje las dimensiones regionales en la aplicación de este PLP, aspecto que ya fue planteado por otras delegaciones.

Deseamos mencionar la importancia de que se mejore el equilibrio en la utilización de los idiomas en todas las actividades de la FAO.

Comprendemos los planteamientos que han realizado aquellas delegaciones que abogan por un crecimiento nominal cero; compartimos incluso las inquietudes relativas al incremento de nuestras contribuciones a la Organización y, en este sentido, deseamos reiterar nuestro apoyo al establecimiento de un grupo de trabajo sobre este tema que fuese propuesto por el GRULAC. Sin embargo, pensamos que la FAO ha hecho todo lo posible para realizar ingentes ahorros, para lograr una mayor eficiencia, por buscar alternativas viables para hacer frente a las necesidades y, en ese sentido, instamos a la FAO a que se continúen explorando otras alternativas para ayudar a este presupuesto.

Llevamos tres presupuestos sin crecimiento, en cambio las necesidades, por el contrario como hemos podido detectar, han crecido. Por esta razón, nuestra delegación quisiera expresar que se orienta hacia la aprobación de este PLP tal y como ha sido presentado e instamos a la aprobación de la correspondiente Resolución.

**CHAIRMAN**

I feel this is a very good introduction to a certain summary you just made already. I thank you very much for taking up this route. I would like to ask Mr Wade from the Secretariat to answer some of the questions. In the majority, these were views expressed this morning, but there were also one or two questions, as far as I can remember, so Mr Wade, please could you answer them.

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

Yes, you were quite correct, I think most of the interventions were statements of position rather than questions, but there were a few which I think we ought to address.

Starting with the Scale of Contributions issue which has been raised by Brazil, Mexico and El Salvador, can I advise you that the situation, at this stage, is that the Regional Groups should have already been contacted; I hope they have been, because they are trying to establish the Working Group now.



At the beginning of the afternoon Session, the Chair of the Plenary will announce the establishment of the Group and ask formally for names to be advised to the Secretariat and then advise that Group should meet later on this afternoon, probably about 15.00 hours. I do not have the precise information; my information is now several hours old. There probably is something more recent but perhaps we can keep an eye on Plenary first thing this afternoon. The Group will be serviced by the Finance Division.

I will apologize to the distinguished delegate of the Republic of Congo for not answering his specific questions on forestry. Unfortunately, he used page references to the French version and I lost track. I now have his intervention, and I will arrange for his questions to be answered directly by the Forestry Department.

With regard to Trypanosomiasis and Tsetse fly in the interventions of the United Republic of Tanzania and Angola, I understand, first of all, that following the interventions yesterday under the Programme Implementation Report, we have arranged for senior staff of the Division of Animal Production and Health to contact the interested delegates concerning this Resolution. I understand that this Division fully supports the PATTEC initiative and they are very interested in harmonizing it with the existing PAAT Programmes. This is work in progress. I do not think we can come to any conclusion here, but I just wanted to confirm that the Secretariat is acting on that request.

We have also noted the request from several delegates for a report to the Council providing a Comparative Analysis of the Recruitment Practices of the United Nations versus FAO, and we will respond positively to that at the next Council meeting.

Some questions were raised on efficiency savings, most of which I covered in the Council, so I will not repeat my responses, if you do not mind. We will refer people to the Verbatim Records for the Council.

There was one new area proposed by the United States of America which I had not previously addressed, which was the scope for efficiency savings in document production. This is an area where, actually, we were rather drastic. We eliminated, that is, abolished the Division for Publications as consequence of the 1996-97 exercise on reducing costs, with the aim of downsizing internal printing and increasing our use of outsourcing on printing, as one part of that entire process. The process was much more complex than that. I do not recall the savings that came out of that exercise, but they were very significant. There may be more scope for further savings now, curiously by reversing the process. We only print in black and white internally; we print colour externally because colour, of course, is quite expensive from a capital point of view. That is changing dramatically now, as new technology improves the situation and there is scope, in fact, for reducing our costs by insourcing some of the colour printing work, particularly for small runs which can be very expensive.

On the question of benchmarking which was raised by the European Community or by Belgium on behalf of the European Community, we agree entirely that objective benchmarking is a technique by which you can identify those areas where savings are potentially possible, those areas where you perform better or worse than other institutions. In fact, we use it extensively. For example, we have benchmarking rates for number of thousands of words of translation per day by translators; we use the UN rates for this. There is a cross rate for the UN which is agreed with the translation profession. We, in fact, do much better than the average, as a matter of interest. For internal printing rates, we compare to the printing rates in other institutions and externally. Interpretation services we can compare very easily to benchmarks elsewhere. We have done quite a lot on benchmarking of administrative and operational costs, that is the costs of managing projects, and comparing those costs to the costs of other institutions which also implement similar field work. So, I will not go on although there are several more of these but I just want to allay the fear that we might not be aware of the practice or the technique. We certainly are.

Some suggestions were made for the next document. Again, most of these were from the European Union and, I think, a fairly strong statement about the lack of a range of scenarios and

options and how this would help Members in being able to arrive at decisions about the appropriate level of the programme, and, furthermore, that we had not really responded to that satisfactorily. I apologize for that.

I suppose, on the one hand, there may be a little bit of cynicism on our side about how useful a series of options can be. Certainly we do not find that Members are that explicit when they examine the options that we provide; they tend to take a rather general view of the levels rather than the individual priorities that are expressed between options. However, that is not really the point. I think that if you want options, you should have them. But the concern, from my side, is that there is an enormous cost in developing a serious budget scenario because when you come to it, what do you have to do? You need to decide what base you are going to move from and how you are going to explain to the Membership what the new scenario is about. Normally, we will give you a base, either at ZRG or RG, and then move from that in various forms and we could move through several options, for example, from +US\$ 35 million to +US\$ 20 million to +US\$ 10 million, etc. We did that once, I think it was 1996-97, internally, with the divisions concerned, and asked them to give us, on all of their entities, what would happen if they had to take a 10 percent cut, a five percent cut, a two percent cut, and a zero cut? It caused a massive amount of work and a tremendous amount of dissension within the divisions. It was a very destructive process which I would not want to repeat unless there was some real value to be obtained from it. It means entering into the budgetary systems, different options about the resource allocations to individual entities, and that can only be done after endless discussions between groups about what is more or less important. Now, of course, this is healthy to a degree but it has to have a limit because you end up absorbing the capacity of your technical staff in defending their programmes. So, I would suggest some caution on seeking a range of options or ranges of scenarios - it really would be a very expensive process. I think you have to give us guidance on what specific scenarios you need to be able to make the decisions and then we have, of course, got to in some way respond.

On the suggestion that we should include in the next budget much more extensive treatment of cross-organizational strategies, can I say, I agree. I think we definitely have to do that. It has got to be different from how we handle the strategies to address Members' needs. Those strategies, that is the ones to address Members' needs, this is A, B, C, D and E of the Strategic Framework, are comprehensive. All of our technical programmes fall within those strategies and therefore you have 100 percent coverage of the work of the Organization in its technical areas, by the Strategic Framework. That is not true of the strategies to address cross-organizational issues. Those are specific issues which were drawn out of the analyses of strengths and weaknesses as being areas on which we would concentrate for improvement. So, while each non-technical department is contributing to one or more of those strategies, not all of their resources go to that purpose. We have to find some way to present to you what resources are being allocated to those strategies and how the strategies are being addressed within the particular biennium. I commit to the fact that we will, in fact, do something on that in the document.

The European Union re-emphasized its interest in seeing that the Technical Committees receive some advance information on the budget proposals and reiterated the decision of the Hundred and Twentieth Council. As I could not find that the other day, I will read that decision out to you, just to confirm that that is what we will do.

"The Council agreed that the Programme Committee should examine the feasibility of developing preliminary information on the Programme of Work and Budget proposals and submit them to the Committees on Agriculture, Fishery and Forestry."

So, that is the process we will follow. We shall go back to the Programme Committee with suggestions, and it will come to the Council with the proposals.

I would like to mention just one other thing, in case there is a misunderstanding, and I would be happy to meet with China outside the room on it. China quoted some figures on TCP where it was taking the percent of TCP as the percent of the budget. From what I could work out, it was taking the TCP resources as a percent of the gross budget, that is, the US\$ 773 million, rather than the

US\$ 689 million. The Resolution that you referred to was passed at a time when we did not have a gross budget, so it really refers to the amount in the appropriation. Therefore the 17 percent or the 14.9 percent to us are a percent of, in today's figures, US\$ 650 million; in tomorrow's figures, US\$ 689 million, if we are lucky.

**Pinit KORSIEPORN (Thailand)**

Like other speakers, we would like to congratulate the Secretariat for the preparation of the documents in before us. Indeed, these documents assist my delegation to understand the situation much easier.

I know the difficulties of FAO with regard to the level of the budget and I understand that Members at this juncture are requesting more assistance from FAO with limited resources. It is not an easy situation at all. I just want to point out that the highest population of hungry people is now in Asia but, when you look at the TCP projects and the allocation of the budget, they are not actually really focused on these people when compared with other Regions.

My delegation therefore would like to urge FAO to look at this issue attentively.

Now I turn to the Scale of Contributions. I have heard it clearly from the Secretariat that there would be a Working Group to consider this Scale of Contributions this afternoon. My country would like to join that Working Group. The Scale of Contributions has created a lot of problems for my country, because it does not reflect the reality of the Thai economy at all. We had a crisis in 1997 from which we still have not recovered and yet we are being asked to contribute to the Organization at a much higher level than before, i.e. there is an increase of 62 percent over previous years. My Government cannot accept this increase at all. Therefore, with regard to the Programme of Work and Budget for 2002-2003, our position is to support the Zero Nominal Growth budget.

**CHAIRMAN**

We should be aware that we are talking at the moment about two different items; one is the item brought forward on the Scale of Contributions, and the other one is the budget that we are talking about here in Commission II. Therefore, there will be two different groups discussing these items.

**Isaam Mahgoub ZAWIA (Libya) (Original language Arabic)**

We have heard all the comments that have been made by Member Nations on the Programme of Work and Budget and, at this juncture, I would like to ask a very specific question. I am looking at the geographic distribution of posts between Member Nations within this Organization. Normally, when posts are allocated one takes account of the level of contribution of the Member States. Now, this principle and approach puts many constraints on developing countries because they, by nature, pay lower contributions, given the level of income in these countries. There are, of course, other criteria which are also taken into account when setting contributions.

To the extent that FAO is using the same system as the United Nations, I would like to know why one does not actually apply this same system regarding the geographic distribution of posts within the Organization. This concerns us somewhat, and we would like the Secretariat to look into this matter and provide the necessary clarification so that perhaps, at the next meeting of Council, we could get some documentation on this from the Secretariat.

**CHAIRMAN**

We should get a more satisfactory answer when they have reflected on that I think.

Now because of the limited translation time, I would try to follow up what El Salvador already started. We will then proceed from here.

It is obvious from this morning's contributions that the main point in this item of Programme of Work and Budget, is that of the level of the budget itself and to a lesser degree some delegations referred to the use of arrears.

Our difficult job here is now to find a consensus so that we can repeat, on Friday, to the Conference in a satisfactory manner. Unfortunately, at the moment I cannot see a common view of consensus of the Membership here in front of me. We have heard Zero Nominal Growth, the Zero Real Growth and the Real Growth Scenario many times - all of them were mentioned.

I would suggest, trying to find a common view in a smaller Contact Group, or the Friends of the Chair, or whatever you would call it. Taking into account the considerations, the discussions of yesterday I also went and investigated on the experiences of our predecessors in these Commissions in 1997 and 1999. At that time they had always found a solution of about 15 to 16 countries doing or trying to do this sort of job. But as I found out from the discussions yesterday, and also with Regional Groups in the meantime, I think two per region or maybe three per region were the minimum which was possible at the moment. Maybe we can come to a smaller group at a later stage.

Therefore, I would suggest, that if possible two, if it is not possible three per region, plus the Chair of G-77 and the Chair of OECD, meet at 15.00 hours sharp, in the Mexico Room, D-211, to discuss the budget level in order to possibly find a common view.

This would leave us with about three hours of interpretation time and room, because the same room is needed for the Drafting Committee which starts at 18.00 hours.

In order to give us enough time to go on tomorrow in this Group, my view would be to suspend the meetings of the Commission II until 09.30 hours on Thursday morning. It would give us in the smaller group the possibility of meeting for three hours today maybe later tonight, but definitely many times tomorrow if necessary. Does this meet with your approval or have you some remarks on how we can improve on this suggestion?

If this were not the case, then we would try very hard from 15.00 hours on, in a smaller group with a fair distribution of Regions, to find a compromise and reach consensus. I have already nominations from the Near East Group, but do not worry about the nominations. We will just meet up at 15:00 hours in the Mexico Room. Any comments on that from the Secretariat?

**Sra. Mireya DURÁN ROSALES (Bolivia)**

Simplemente para acotar lo que usted decía y expresar que, a nombre de la Región y del Grupo de América Latina y el Caribe, los países que representarán en este Grupo de Trabajo Amigos del Presidente serán Chile, Argentina y México.

**CHAIRMAN**

Thank you very much GRULAC Group for these nominations. I also have the nominations of the Near East Group, these are, Libya, Qatar and Jordan.

I think then there are no further remarks. Secretariat do you have any remarks?

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

I would like to have a clarification. May I just ask for this afternoon, there is a group that will be meeting on the budget level. Does that mean that Commission II *per se* will not be meeting this afternoon or tomorrow either? Could you clarify that please.

**CHAIRMAN**

Yes, I can clarify. In order to facilitate the efforts to find a consensus in a smaller group, we would not meet in Commission II today or tomorrow. We would reconvene on Thursday morning at 9.30 hours.

*The meeting rose at 12.40 hours*

*La séance est levée a 12 h 40*

*Se levanta la sesión a las 12.40 horas*

**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>FOURTH MEETING OF COMMISSION II QUATRIÈME SÉANCE DE LA COMMISSION II CUARTA SESIÓN DE LA COMISION II</b>
<b>8 November 2001</b>

The Fourth Meeting was opened at 10.00 hours  
Mr Carl-Josef Weiers,  
Chairman of Commission II, presiding

La quatrième séance est ouverte à 10 h 00  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la cuarta sesión a las 10.00 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

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

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

**12. Programme of Work and Budget 2002-2003 (Draft Resolution)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (French and Spanish only); C 2001/LIM/6;  
 C 2001/LIM/15) (continued)

**12. Programme de travail et budget 2002-2003 (Projet de résolution)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (espagnol et français uniquement); C 2001/LIM/6;  
 C 2001/LIM/15) (suite)

**12. Programa de Labores y Presupuesto para 2002-2003 (Proyecto de resolución)** (C 2001/3;  
 C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (solo en español y francés); C 2001/LIM/6;  
 C 2001/LIM/15) (continuación)

**CHAIRMAN**

I just wanted to give you first a brief overlook of how we have to run the day, because time is getting short. As you know, tomorrow the Budget should be settled for the coming two years, and we should all do our utmost to achieve this in a consensus way.

As soon as we have informed you about the situation at the moment, I would suggest that we reconvene again in this Friends of the Chair configuration, in the Mexico Room, in order to follow up our discussions of last night. The last half hour last night, or early this morning, was quite promising and a lot of people showed some flexibility. However, as a few of the delegates mentioned, they would like more time to come up with better solutions and better ideas.

We will reconvene here in Commission II at about 14.30 hours. in order, hopefully, to speak about our consensus findings. Then, as the Secretariat needs time to process this item and the necessary background work, we could come together again for a final meeting on this at about 17.00 hours or maybe 18.00 hours this afternoon.

Allow me to report to you on the proceedings we had in the Working Group. Maybe you have already been informed by the people from your Region, because in the meantime they wanted to contact their Regions and to discuss the situation and the degree of flexibility they had when we start again after this meeting.

As you will possibly have heard, we have quite extreme starting points; the Zero Nominal Growth scenario by the group of countries, and the Zero Real Growth scenario by another group of countries. This Zero Real Growth scenario is also given in the document, the Programme of Work and Budget. In the same document, there is the other side of the spectrum, the Real Growth scenario. They are apart, in rough figures, by about US\$ 38 million as far as the Budget is concerned. It is now our task to arrive at a consensus which satisfies the Zero Nominal Growth group of countries and also the expectations of the other end of the spectrum, the Real Growth scenario.

As it looks at the moment, and I am still very hopeful, we should come to a consensus On the Zero Real Growth scenario. What the outcome will be, I cannot say at the moment, but we only have until tomorrow afternoon at the latest to come to a consensus. The Secretariat has advised me that it is very unlikely and very unusual for a decision to be taken on this very important item, the Budget for the next two years, in the second week of the Conference, as the level of participation is not as numerous as it is usually is in the first week of the Conference. Therefore, we should do our utmost to come up with a consensus today.

I do not like to paint a picture of all the different arguments here because this, I think, would not help us but I am very open to any questions or comments. Afterwards, I would very much like the participants of the Working Group or, as it is called in this Organization, Friends of the Chair – I

have never had so many friends around me – that we convene again in the Mexico Room as soon as possible after this meeting.

Before we do this, we have another point from the Secretariat. First of all, are there any questions or comments?

**Flávio Celio GOLDMAN (Brazil)**

It is just a point of clarification or information. As you know, there will be a meeting of the Working Group on the Scale of Contributions today at 15.00 hours. We hope that this will be the last meeting.

Before we gather in Commission II, could you check with the Chairperson of the Working Group on the Scale of Contributions as to whether there was any decision or recommendation that would affect the discussions of the Friends of the Chair, so that we avoid any misunderstanding or any conflict between the decisions of both instances?

**CHAIRMAN**

This is a very valuable contribution. Both we and the Secretariat are in constant contact with this Group so that we know what is going on, because this definitely has practical consequences on our proceedings. The basic argument here regards the Budget for the coming two years, whereas the other question, which influences the financial capabilities of the Organization, is being treated more as a legal question, to be resolved mainly for the countries having an interest in it. It should definitely be reported here.

**SECRETARIAT**

I would just like to bring to the attention of the Commission that the Resolutions Committee has requested this Commission to consider the Draft Resolution on PATTEC, which is the acronym for the Plan of Action for the Pan-African Tsetse and Trypanosomiasis Eradication Campaign.

As this is a subject matter which has been touched on in this Commission, we have been asked to consider the Draft Resolution. We would, in fact, insert the Draft Resolution in the Report that came to the Commission. The Draft Resolution will be document C 2001/LIM/23. I understand that it is not yet available at the Documents Desk, but that it will be available in the course of this morning.

**Draft Resolution on the Plan of Action for the Pan African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC)**

**Projet de résolution sur le Plan d'action pour la Campagne panafricaine d'eradication de la mouche tsé-tsé et de la trypanosomose (CPAETT)**

**Proyecto de Resolución adjunto sobre el Plan de Acción para la Campaña Panafricana de la mosca tsetsé y la tripanosomiasis**

**Bakari A. MAHIZA (Tanzania, United Republic of)**

I am asking for the floor to introduce, on behalf of the Africa Group, a Draft Resolution on the Pan-African Tsetse and Trypanosomiasis Eradication Campaign, in short PATTEC.

The Chairman of the Africa Group introduced the subject of this Resolution in a statement he made before the Council. The Commission may wish to reproduce this statement *intensio*, as a document explaining the various parts of the Resolution.

Because of the limited time of this Commission, I would only refer to the operative paragraphs of the draft. Allow me to read paragraph numbers 3 and 4 of the document.

The third paragraph states that the Africa Group requests FAO, in cooperation with Member Nations and relevant international organizations, to support African Member Nations in their effort to effectively combat the human and animal diseases and their vectors and, in particular, to support the OAU initiative of PATTEC.

The fourth paragraph of the Resolution is that we request the Director-General to report on the progress made in the implementation of this Resolution to the Council and the Conference of its Thirty-second Session.

The draft document was adopted by the Resolutions Committee in its sessions which were held a few days ago.

**CHAIRMAN**

The document the honourable delegate was referring to is coming out as C 2001/LIM/23. It will be added to the Report of Commission II and will then go to the Conference for adoption. I understand this is according to your wishes.

*The meeting rose at 10.20 hrs*

*La séance est levée à 10 h 20*

*Se levanta la sesión a las 10.20 horas*



**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>FIFTH MEETING OF COMMISSION II CINQUIÈME SÉANCE DE LA COMMISSION II QUINTA SESIÓN DE LA COMISION II</b>
<b>8 November 2001</b>

The Fifth Meeting was opened at 14.50 hours  
Mr Carl-Josef Weiers,  
Chairman of Commission II, presiding

La cinquième séance est ouverte à 14 h 50  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la quinta sesión a las 14.50 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

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

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

**10. Programme Implementation Report 1998-99**

(C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4) (continued)

**10. Rapport sur l'exécution du Programme 1998-99**

(C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4) (suite)

**10. Informe sobre la Ejecución del Programa 1998-99**

(C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4) (continuación)

**11. Programme Evaluation Report 2001** (C 2001/4; C 2001/LIM/5) (continued)

**11. Rapport d'évaluation du Programme 2001** (C 2001/4; C 2001/LIM/5) (suite)

**11. Informe sobre la Evaluación del Programa 2001** (C 2001/4; C 2001/LIM/5) (continuación)

**12. Programme of Work and Budget 2002-2003 (Draft Resolution)**

(C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (French and Spanish only); C 2001/LIM/6; C 2001/LIM/15) (continued)

**12. Programme de travail et budget 2002-2003 (Projet de résolution)**

(C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (espagnol et français uniquement); C 2001/LIM/6; C 2001/LIM/15) (suite)

**12. Programa de Labores y Presupuesto para 2002-2003 (Proyecto de resolución)**

(C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2.-Rev.1 (solo en español y francés); C 2001/LIM/6; C 2001/LIM/15) (continuación)

**CHAIRMAN**

I call to order the Fifth Meeting of Commission II.

**SECRETARY**

I would just like to remind distinguished delegates, if I may, that there is a joint launch by WFP, IFAD and FAO Executive Heads of the publication "Working Together" today at 18:00 hrs. in the Plenary, and all Conference participants are invited to be present in the Plenary at that time.

**CHAIRMAN**

This announcement concerns a very important occasion. We have to work faster to be able to participate.

The so-called Friends of the Chair will convene again in the Lebanon Room immediately after this meeting. I feel we made quite substantial progress in the two-hour meeting this morning. There was a desire from the Regional Groups and also from other groups to which certain countries belong, to contact their groups, in some cases, their capitals. We allowed the lunch time period for that. At this point, I would not wish to go into depth on what the present state is because it would not be very helpful. However, if you trust the so-called Friends of the Chair to convene again immediately after this, we then would try very hard to find a consensus. Where do we go from there?

If we are able to start our proceedings in the Lebanon Room, say by 15:00 hours., then we should come to some consensus by 16:30 hours at the latest. This would allow the Secretariat to formulate and process it in the different languages. This would then be available for Commission II to discuss, and hopefully, also reach an agreement at 20:00 hours. here in the Red Room.

This would also allow you to participate in the event which was just announced by the Secretariat. Therefore, if you could agree on this scenario, that the Friends of the Chair, meet immediately afterwards in the Lebanon Room, where we have interpretation time until about 17:00 hours – hopefully we will reach a common view before that time – this would allow the Secretariat to

proceed with the details, printing, translation, etc. until 20:00 hours. We would meet here for the consideration of these results at 20:00 hours.

**Abdul Razak AYAZI (Afghanistan)**

After you have reached a consensus, which I hope will only be one paragraph, that paragraph should not take more than half-an-hour to translate and be printed. The rest of the Report is already printed and available for the meeting.

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

The situation is slightly more complicated than just a paragraph. There would be the Appropriations Resolution, there would be the Resolution on Arrears and there would potentially be another resolution or section of Draft Report that has been proposed by the European Community in the Friends of the Chair, relating to Efficiency Savings. So, I think we have to allow ourselves a little bit more time, otherwise you might end up sitting here waiting for all this material to be translated.

**CHAIRMAN**

Can I take it that Commission II meets here again at 20:00 hours, and will then proceed as quickly as possible to adopt the Draft Reports on Items 10, 11 and 12?

Any comments on that? If this is not the case, my apologies for not being able to present a final result at this moment. I would like to ask the Friends of the Chair to join me immediately in the Lebanon Room, in order to proceed with our work.

*The meeting rose at 15.00 hours*

*La séance est levée à 15 h 00*

*Se levanta la sesión a las 15.00 horas*



**CONFERENCE CONFÉRENCE CONFERENCIA**

<b>Thirty-first Session Trente et unième session 31º período de sesiones</b>
<b>Rome, 2-13 November 2001 Rome, 2-13 novembre 2001 Roma, 2-13 de noviembre de 2001</b>
<b>SIXTH MEETING OF COMMISSION II SIXIÈME SÉANCE DE LA COMMISSION II SEXTA SESIÓN DE LA COMISION II</b>
<b>8 November 2001</b>

The Sixth Meeting was opened at 20.45 hours  
Mr Carl-Josef Weiers,  
Chairman of Commission II, presiding

La sixième séance est ouverte à 20 h 45  
sous la présidence de M. Carl-Josef Weiers,  
Président de la Commission II

Se abre la sexta sesión a las 20.45 horas  
bajo la presidencia del Sr. Carl-Josef Weiers,  
Presidente de la Comisión II

**ADOPTION OF REPORT  
ADOPTION DU RAPPORT  
APROBACIÓN DEL INFORME**

**CHAIRMAN**

I would like, first of all, to give you a short verbal report from the proceedings we had in the group Friends of the Chair in the last few days I can report to you that we have arrived at a consensus in this group, which is the level of a Zero Real Growth budget level. A consensus is always difficult, the number of people have other expectations, more or less, but common sense prevailed in the end and therefore we were able to come to this result.

A paper of this result and also a paper about the use of arrears are at the moment being translated into all languages and will be available most likely in 10 to 15 minutes time. We will then break up for five minutes in order to allow you to pick up a copy of these papers. We will inform you as soon as the paper is ready.

Our task, besides that of deciding a budget level and to which we will revert shortly, is to adopt the reports on the Programme Implementation, Programme Evaluation and the Programme of Work and Budget. If time gets short, we can skip the first two because they are only necessary for reporting on to the Conference on Monday, but what is urgent is that we agree on the Programme of Work and Budget and the budget level, because there we have to report tomorrow morning. I will try to get all three through, so that we get the whole job done at once. Therefore, I would like to call on the Chair of the Drafting Committee to introduce the documents concerning this Programme Implementation Report, which is document C 2001/II/REP/1, and the Programme Evaluation Report, which is C 2001/II/REP/2.

Would the Chair of the Drafting Committee please introduce us to the findings of the Drafting Committee.

**Abdul Razak AYAZI (Chairman, Drafting Committee)**

The Drafting Committee of Commission II met twice for a total of three hours. The atmosphere at the two sessions we had was cordial and the amendments suggested by Members were focused and constructive.

The Drafting Committee worked diligently and efficiently and made my job very easy. I wish to thank them for their cooperation and support.

I wish to thank the distinguished delegates for selecting me as Chairperson of the Drafting Committee. I also thank you for placing your trust in me. I take this opportunity to thank, on behalf of the Members of the Drafting Committee, the Director of PBE, the Secretary and Assistant Secretary of the Commission for their hard work and total cooperation.

The Draft Report before you consists of 30 paragraphs. These paragraphs exclude the three resolutions, as well as the final draft of the budget level; I do not know how many paragraphs are there. In any case, what we agreed to in our report of the 30 paragraphs was my consensus and it was a very amicable atmosphere.

Considering the smooth preparation of the Drafting Committee, you may wish to propose to this Commission that they approve the Draft Report *en bloc*. When I say the Draft Report *en bloc*, I refer to the 30 paragraphs, not the three resolutions, the final draft and the budget level.

**DRAFT REPORTS OF COMMISSION II – PARTS I, II and III** (C 2001/II/REP/1, C 2001/II/REP/2, C 2001/II/REP/3) (C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4; C 2001/4; C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2-Rev.1; C 2001/LIM/6; C2001/LIM/15)

**LES PROJETS DE RAPPORT DE COMMISSION II – PARTIE I, II et III**  
(C 2001/II/REP/1, C 2001/II/REP/2, C 2001/II/REP/3) (C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4; C 2001/4; C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2-Rev.1; C 2001/LIM/6; C 2001/LIM/15)

**LOS PROYECTOS DE INFORME COMISIÓN II - PARTES I, II y III** (C 2001/II/REP/1, C 2001/II/REP/2, C 2001/II/REP/3) (C 2001/8; C 2001/8-Corr.1-Rev.1; C 2001/LIM/4; C 2001/4; C 2001/3; C 2001/3-Corr.1; C 2001/3-Corr.2-Rev.1; C 2001/LIM/6; C 2001/LIM/15)

#### **CHAIRMAN**

I would like to take over the idea of the Chairman of the Drafting Committee and suggest that we adopt this report *en bloc*. Is that possible?

Any comments on accepting this work of the Drafting Committee *en bloc*?

#### **LI ZHENG DONG (China) (Original language Chinese)**

I wholeheartedly agree with the position you have just expressed. I think the report needs to be approved *en bloc*.

#### **CHAIRMAN**

You have just listened to the comment from the representative of China. If China's suggestion is acceptable, I will pass the floor to Belgium.

#### **Bernard DE SCHREVEL (Belgique)**

Je comprends bien que nous adoptons ce qui a été discuté dans le Drafting Committee et pas autre chose pour le moment.

#### **CHAIRMAN**

I will just have a word with the Secretariat on how they see this document.

After consulting the Secretariat, the Resolution would be included in this Report. If you have any remarks on that, they should be made now.

#### **Bernard DE SCHREVEL (Belgique)**

Dans ce cas-là, je voudrais vous demander cinq minutes d'interruption pour pouvoir coordonner sur cette Résolution entre les Membres de l'Union européenne. Puisqu'elle est venue fort tard, nous n'avons pas eu le temps de nous coordonner là-dessus, et je réserve ma position pour le moment.

#### **CHAIRMAN**

We have two alternatives: either we break up for five minutes, or we pass now to the Programme Evaluation Report and leave the Programme Implementation Report for another meeting of Commission II, which could be either tomorrow or Monday morning. What do you prefer?

Before I hand back the floor to Belgium, I pass the floor to the Chairman of the Drafting Committee.

#### **Abdul Razak AYAZI (Chairman, Drafting Committee)**

The Drafting Committee is proposing that what was discussed in the Drafting Committee, and I refer to the 30 paragraphs which were approved by consensus by the Drafting Committee, be approved. That is what my suggestion was. With respect to the final paragraph regarding the level of the budget and the three resolutions, this should be a separate issue, which you may wish to discuss later. But to get rid of this first part – the 30 paragraphs as agreed by the Drafting

Committee - I think deserves the approval of this Commission, and I did not see anyone criticizing or opposing that proposal.

**CHAIRMAN**

In this case, I see another possibility; that we approve the documents just mentioned, the Draft Report of the Drafting Committee of Commission II on the Programme Implementation Report and of the Programme Evaluation Report, and exclude at the moment the additional document on which you have questions. We could come together again at an appropriate time tomorrow. I will have to consult with the Secretariat as to when it will be possible to discuss this item separately.

Can you give us just a moment here to consult about this possibility, because I understand your problem lies with the document Add.1.

The Secretariat feels that as it may take some discussion time, we come back to this on Monday and discuss this Add.1 on the Plan of Action for the Pan-African Tsetse and Trypanosomiasis Eradication Campaign (PATTEC).

**Bernard DE SCHREVEL (Belgique)**

Je voudrais souligner que, à priori, nous ne voyons aucun problème avec cette Résolution, mais nous pensons qu'il est correct que nous ayons le temps de l'étudier sérieusement et que nous puissions au moins coordonner entre l'Union européenne. Donc je pense que votre proposition est la bonne.

**Mme Béatrice DAMIBA (Burkina Faso)**

Je voudrais un peu plus d'explication concernant les vingt-sept paragraphes dont il est question. Je ne suis pas sûre d'avoir tous les documents. Est-ce que les vingt-sept paragraphes se réfèrent au total des paragraphes contenus dans les C 2001/II/REP/1, C 2001/II/REP/2, et C 2001/II/REP/3, ou bien duquel s'agit-il, parce que moi je ne vois pas vingt-sept paragraphes. Je vois un document avec sept paragraphes, un autre avec quatre paragraphes et un troisième avec dix-huit paragraphes. Le total ne me donne pas vingt-sept. Je ne comprends pas très bien. Le Président du Comité de rédaction peut-il donner une explication?

**CHAIRMAN**

Before I hand over to the Chair of the Drafting Committee, could we ask Kenya for a comment or is this totally different in content?

**Samuel Cherunge YEGON (Kenya)**

In our Drafting Committee, we had representatives from all regions. We had a lot of discussion and we came to a consensus. So I do not see why we are opening this again. If we postpone one part, then we could as well open the whole matter. I would therefore suggest adoption *en bloc*.

**CHAIRMAN**

There is a misunderstanding here. What Belgium is questioning at the moment is an item which was introduced this morning: it cannot be reflected in the report we are talking about. This is why I wanted to cut this item out for the moment. We would then come back exactly to the position mentioned before, that we have a report which was agreed upon in a good spirit and very easily. Therefore, my suggestion, after having consulted with the Secretariat, is to cut this paper out for the moment and discuss it in an extra session on Monday, when everybody has had time to reflect on it.

I now hand the floor back to the Chairman of the Drafting Committee to answer Burkina Faso's question.

**Abdul Razak AYAZI (Chairman, Drafting Committee)**

When I refer to the 30 paragraphs, I include C 2001/II/REP/1, C 2001/II/REP/2 and C 2001/II/REP/3. The total amounts to 30 paragraphs. So that is what I was requesting you and Commission II - and here I am reflecting the views of the Drafting Committee. The Drafting



Committee agreed on these 30 paragraphs on a unanimous basis. Therefore, I am requesting you to seek consensus of the approval of the Commission for these 30 paragraphs, which exclude all the resolutions as well as the final draft and the level of the budget.

**CHAIRMAN**

I may have caused this little confusion because I only talked about the Programme Implementation Report and the Programme Evaluation Report. The Chairman of the Drafting Committee also referred to the Programme of Work and Budget Report. This is three, therefore he has counted correctly. Before we were only talking about the first two. I repeat, let us go for all three of them for the moment, and then he is right with his 30 paragraphs.

Can we agree on that?

**Krassimir KOSTOV (Bulgaria)**

I think the Drafting Committee has done a very good job. Bulgaria would like to accept the proposal to adopt C 2001/II/REP/1, C 2001/II/REP/2 and C 2001/II/REP/3 by consensus *en bloc* without voting ,and discussing now C 2001/II/REP/1- Add.1, and C 2001/II/REP/3-Add.1.

*Applause*

*Applaudissements*

*Aplausos*

*Draft Report, Parts I, II and III, approved.*

*Le projet de rapport, Partie I, II et III, est approuvé*

*El proyecto de informe, Parte I, II y III, es aprobado.*

**CHAIRMAN**

Thanks very much to the Chairman and the whole Drafting Committee for their excellent work which has enabled the report to be so easily accepted.

Now that we have dealt with these three documents, that is, C 2001/II/REP/1, C 2001/II/REP/2 and C 2001/II/REP/3, we need to meet again to discuss C 2001/II/REP/1-Add.1. The Secretariat has found out that there would be a possibility from the room and interpretation side for Commission II to meet here on Monday at 14:30 hours to discuss C 2001/II/REP/1-Add.1 dealing with PATTEC. This would allow the different groups to have reflected on this paper and discuss this Item separately from the others.

Is this acceptable? I see there are some problems and some questions which have to be resolved before we can come to a conclusion. I have listened partly to the negotiations outside the room and they did not seem clear to me. Can you agree on that?

**DRAFT REPORT OF COMMISSION II – PART III –Add.1**

**(INCLUDING DRAFT RESOLUTION)** (C 2001/II/REP/3-Add.1)

**PROJET DE RAPPORT DE LA COMMISSION II – PARTIE III-Add.1**

**(Y COMPRIS LA RÉOLUTION PROPOSÉE)** (C 2001/II/REP/3-Add.1)

**PROYECTO DE INFORME DE LA COMISIÓN II - PARTES III-Add.1**

**(INCLUÍDA LA PROYECTO DE RESOLUCIÓN)** (C 2001/II/REP/3-Add.1)

**CHAIRMAN**

Next point, I want to now give you a break of 5 minutes so that everybody may pick up part 3 of the Draft Report on Commission II which deals with budgetary matters and the Draft Resolution of the Use of Arrears. The paper is available now.

*The meeting was suspended from 21.15 to 21.30 hours*

*La séance est suspendue de 21.15 à 21 h 30*

*Se suspende la sesión de las 21.15 a las 21.30 horas*

## CHAIRMAN

I believe you have had a chance to read the document, C2001/II/REP/3-Add.1. You first have the details on the budget. This is the result of long discussions within the Friends of the Chair Group held during the last two days and it shows the level we could find a consensus on. As I told you before, in a compromising effort, you cannot make everybody happy but I think the mood in the end was, at least, in a good spirit. I thank you very much for your cooperation, your time and your efforts in this Group of the Friends of Chair.

On the next page you have the Use of Arrears detailed on three pages and I would like to adopt this document to be sent on to the Conference for decision-making. Any comments or wishes on this item?

### **Christian MONNOYER (Belgique)**

L'Union européenne et ses Etats Membres ont toujours plaidé pour que les décisions soient prises par consensus sur les sujets importants de cette Organisation et elle a essayé d'y contribuer sur ce Programme de travail et budget de la manière la plus constructive possible. Elle a, au cours de la discussion dans le Groupe des Amis du Président, introduit un texte visant à faciliter et à rendre plus efficace la réalisation de gains d'efficience dans l'Organisation en prenant en compte l'expérience d'autres organisations. Le même texte demande à l'Organisation de poursuivre ses efforts au cours du prochain biennium et d'affecter le produit de ses économies supplémentaires aux priorités du Plan à moyen terme 2002-2007.

L'Union européenne et ses Etats Membres souhaitent que les idées contenues dans ce texte se retrouvent dans le Rapport de la Commission II. Elle y attache du prix à la fois pour leur contenu et aussi pour la flexibilité que ces idées lui ont permis d'apporter dans la définition du niveau du budget. Elle s'est jointe au consensus dans cette conviction.

L'Union européenne et ses Etats Membres se réjouissent qu'il ait été possible pour les États Membres de la FAO de parvenir à un consensus.

### **Mrs Perpetua Mary Simon HINGI (Tanzania, United Republic of)**

On behalf of the Africa Group, I would like to thank you for your tireless efforts which eventually brought us to the positive Report we have before us. It is not the Report we would have wished to see before us but being aware of the protracted process that led to the Report presented here, the Africa Group has no choice but to accept it and appeal that it be adopted *en bloc* without further discussion.

### **Mrs Neela GANGADHARAN (India)**

I would like to support what Tanzania said, that after the very protracted discussion we had in the Friends of the Chair meeting, under your able leadership, I think what has come out is a consensus decision and document and we should adopt it *en bloc* without any change.

To reply to what Belgium said, the C 2001/II/REP/3 already contains, in paragraph 5, the agreement of the Conference for a continued search for efficiency savings as an on-going concern of management. I think that reflects the concerns expressed by Belgium and many Member Nations and therefore we would also like to adopt the Report as presented *en bloc* on the budget level.

### **Dag BRISEID (Norway)**

On behalf of the European Region Group, I would like to say that we are very pleased that it was possible to reach a consensus on the budget. It was for the European Region, important in the Working Group, to underline that we have a need for making further savings in years ahead and on that background we see a need for paragraphs to be inserted in the Report on both a short-term and a long-term programme for making such savings. On that background, I would like to associate myself on behalf of the Region with the statement made by the European Union.

**Miss Fatimah Hasan Gohar HAYAT (Kuwait) (Original language Arabic)**

I would like to endorse what has been said by the previous speakers. First, of course, in congratulating you and, in fact, in congratulating all of the Friends of the Chair because we have all managed to reach a consensus, even if the figure that we have come up with is not the perfect figure for us all but, in any event, we are pleased that we have managed to command a consensus. This really was our initial objective.

I would like to express my agreement with what was said by the Representatives of Africa and Asia. We worked alongside each other in the group of Friends of the Chair, and I get the impression that it would be advisable for us to adopt this agreement by consensus, because it does represent the fruit of our labours.

**Sra. Mireya DURÁN ROSALES (Bolivia)**

Los países del Grupo de América Latina y el Caribe se unen a todas las expresiones de los oradores que nos antecedieron y le felicitamos por todos los esfuerzos que ha realizado para lograr este consenso como también por la aprobación en bloque del informe.

**Ms Carolee HEILEMAN (United States of America)**

The United States is extremely grateful to everyone who was involved in reaching this decision. This includes every member of the Friends of the Chair Group who worked tirelessly on the difficult negotiations to reach a consensus. We would like, particularly, to thank you for your good humour, your tough skin and your determination.

Finally, we would also like to express gratitude to Tony Wade and the staff of the Programme and Budget Division for their dedicated efforts to produce an outstanding budget presentation and for Mr Wade's resourcefulness in supporting the proceedings of the Council and the Conference.

As my delegation has made clear on many previous occasions, the United States budget policy continues to strongly advocate Zero Nominal Growth in the UN Agencies. We believe firm adherence to budget discipline is vital to ensure that organizations continue to strive for maximum efficiency and effectiveness. We cannot overstate the importance we place on this principle. At the same time we recognize it's crucial that we allow the work of this venerable Organization to move ahead. We recognize a consensus has formed around the decision reflected in this resolution and we do not want to obstruct anyone from adopting the budget. Therefore, while we cannot join the consensus we will not block this decision.

**CHAIRMAN**

How do we deal with the request made here? The majority of the comments were for adoption *en bloc* but there were also recommendations to add something. How do we now proceed? Can you give me some good advice? Is it satisfactory to the advocates of the idea of the efficiency savings that was mentioned in C 2001/II/REP/3 under paragraph 5, where it states that the Conference agreed that the continued search for efficiency savings should be an on-going concern of management, especially by taking account of streamlining possibilities and exploiting the potential offered by technical innovations. Many Members considered that FAO had exhausted realistic possibilities to generate substantial efficiency savings as a result of the extensive reforms and streamline measures undertaken in the recent past and underlined. I do not wish to read on to the end but the first sentence is "The Conference agreed that the continued..."

There was also the expression that some Members thought that this effort was already achieved to a certain degree.

Is this formulation: "the Conference agreed" sufficient? What is your position on that? I would like to consider all remarks here but, on the hand, we must proceed because we still have the special question open.

**Christian MONNOYER (Belgique)**

Je voudrais peut-être demander quelle est la manière dont le Secrétariat lit le texte, le paragraphe que vous venez de citer. Quand je dis lit c'est comment il peut être interprété. Je répète simplement la déclaration que j'ai faite tout à l'heure, nous souhaitons en effet que nos idées soient reflétées dans le Rapport de la Commission II, mais le Secrétariat pourrait utilement peut-être nous dire la manière dont il comprend la rédaction de ce paragraphe.

**Anthony BEATTIE (United Kingdom)**

I was planning to ask the same question. I shall listen with great interest to the reply of the Secretariat.

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

I will repeat what I said in the Working Group, which is that the Secretariat is under no illusions that the search for efficiency savings has stopped. We say, in the document itself, in paragraph 90 of the Programme of Work and Budget, that "improvement in efficiency and related process change is an essential part of a dynamic Organization and remains an on-going management activity".

From our perspective, this process will continue. We will pursue it vigorously and we will continue to report to the various bodies on what we have achieved.

We have already committed, in an earlier part of the Report, to report on efficiency savings progress in the Programme Implementation Report; that is, in future versions of it.

In reference to the second concern which was raised during the Working Group meeting, which is that we search for further efficiency savings during 2002-2003 and apply those to the high priority areas of the programme to the extent that we can find such additional savings beyond those already included in the Programme of Work and Budget, I confirm that is precisely what our policy would be.

**Arnaldo DELGADO (Cape Verde)**

I just wanted to ask for a break of five minutes to follow-up the discussion with our friends from the European Union about our Resolution project.

**CHAIRMAN**

Then we should first come to a conclusion on the budget item contained in the document which you have just picked up. If there is no objection, I would suggest that we adopt C 2001/II/REP/3-Add.1 *en bloc*.

*Applause*

*Applaudissements*

*Aplausos*

**Anthony BEATTIE (United Kingdom)**

I would be grateful for clarification from the Secretariat whether, in the further actions which Mr Wade has just outlined, he would contemplate a request which was put in the Friends of the Chair Working Group this afternoon. That is to say, that the Secretariat should undertake an objective study of efficiency by benchmarking FAO's systems and procedures against best practice in comparable organizations.

We, at least, would find it helpful to know whether the Secretariat would be prepared to do such a thing. If it would not, we would be very interested to know why not.

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

Part of the problem that occurred this afternoon with the wording that was proposed to be included in the text of the Report was, I think, the extent of detail that the wording went into.

I think it would be very useful if that question could be brought up in the appropriate place, which seems to me to be the Finance Committee. I personally have no problem at all with the concept but it implies various things which are not yet resolved. I think we probably should discuss it between the Secretariat and the Members of the Finance Committee, who would have the primary responsibility for such a study.

If the distinguished delegate would accept that answer, I would be very grateful.

***Draft Report Of Commission II Part III-Add.1***

*(including Draft Resolution) was adopted* (C 2001/II/REP/3-Add.1)

***Projet De Rapport De La Commission II – Partie III-Add.1***

*(y compris la Résolution Proposée) est adoptée* (C 2001/II/REP/3-Add.1)

***Proyecto De Informe De La Comisión II - Partes III-Add.1***

*(incluida la Proyecto De Resolución) es aprobado* (C 2001/II/REP/3-Add.1)

**DRAFT REPORT OF COMMISSION II – PART I –Add.1**

**(INCLUDING DRAFT RESOLUTION)** (C 2001/II/REP/1-Add.1)

**PROJET DE RAPPORT DE LA COMMISSION II – PARTIE I-Add.1**

**(Y COMPRIS LA RÉOLUTION PROPOSÉE)** (C 2001/II/REP/1-Add.1)

**PROYECTO DE INFORME DE LA COMISIÓN II - PARTES I-Add.1**

**(INCLUÍDA LA PROYECTO DE RESOLUCIÓN)** (C 2001/II/REP/1-Add.1)

**CHAIRMAN**

We have fulfilled our obligations as far as the standard work of Commission II is concerned. However, we still have the question open which was raised by Cape Verde in connection with PATTEC.

The Africa Group would very much like to solve this problem today. I made the suggestion before that it could be dealt with on Monday. The reason for this was given by the Africa Group – I hope I put your case in the right way – that, at the moment, a number of African high representatives and ministers are still here in Rome and they would very much like to solve this problem this week, while this group of high representatives is in town.

For this reason, they asked me to allow them five minutes. We will re-convene at 10:00 hrs and, in the meantime, I would like Belgium to discuss this question with the United Republic of Tanzania, Cape Verde and the other parties involved, if possible. At least we should try to fulfil this wish.

***The meeting was suspended from 21.50 to 22.00 hours***

***La séance est suspendue de 21.50 à 22 h 00***

***Se suspende la sesión de las 21.50 a las 22.00 horas***

**CHAIRMAN**

I am very happy to report to you that we can cancel our meeting on Monday 14:30 hrs as Commission II here in the Red Room, because I have been informed that there are no objections any more in connection with the C 2001/II/REP/1-Add.1.

The parties agree to this. They have only some doubts as to whether the documents were brought forward in the appropriate manner and will articulate this again, possibly in another place.

Therefore, I think we have solved this. If anybody wants to make any comments, please do so.

**David P. LAMBERT (United States of America)**

The United States very much appreciates the spirit of consensus on this FAO Conference Resolution on Tsetse Fly eradication in Africa, because we believe this is one of the finest examples of effective UN collaboration. The work that is going on in Vienna with FAO, WHO and the International Atomic Energy Agency is impressive and its deliverables are tangible.

We know of our own United States example of success with the Mediterranean Fruit Fly in California. Of even more relevance here is the example of the phenomenal success of the

eradication of the Tsetse Fly on the island of Zanzibar and its implications for food security in the Tsetse Fly zone of Central Africa. This priority is further justified from the standpoints of animal health, status of women and other reasons. We commend the consensus that has been reached here tonight and applaud this Resolution.

***Draft Report of Commission II – Part I – Add.1***

*(including Draft Resolution) was adopted* (C 2001/II/REP/1-Add.1)

***Projet de Rapport de la Commission II – Partie I-Add.1***

*(y compris la Résolution Proposée) est adoptée* (C 2001/II/REP/1-Add.1)

***Proyecto de Informe de la Comisión II - Partes I-Add.1***

*(incluida la Proyecto de Resolución) es aprobado* (C 2001/II/REP/1-Add.1)

**CHAIRMAN**

I would like to thank you all for your close cooperation, for your understanding and also for the limited language expression I can give in a foreign language. This sometimes limits the fine-tuning of the remarks I have to make or I want to make.

Especially, I would like to thank the Friends of the Chair, the Friends of the Working Group. I call them the group of my friends now! Also, for their understanding and their intensive work which was very welcome.

Last but not least, I would like to thank the interpreters, who worked such long hours, especially in our Working Group of the Friends of the Chair.

I think this is the last meeting we have here together in Commission II. My duty remains to report to the Conference.

I now hand over to the Deputy Director-General, Mr Harcharik.

**DEPUTY DIRECTOR-GENERAL**

I would like to express my appreciation and that of the Director-General and, in fact, the entire Secretariat, for the very excellent work that this Commission has done. I think that you have reached a very good decision, or at least a recommendation to the Conference, on all of the matters before you and indeed they are all very important. Obviously, we are particularly pleased that you have reached a consensus on everything, including the budget level.

If you stop and think about it, the fact that you have agreed to a small increase in the budget is a very important step. This is the first time in several years that the Organization has had any increase whatsoever. It is, perhaps, modest but it is a step in the right direction and we are very much appreciative of that. I would like to express our appreciation to all the Members for your very good work towards a consensus on this.

***The meeting rose at 22.15 hours***

***La séance est levée à 22 h 15***

***Se levanta la sesión a las 22.15 horas***