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CL 123/7

Medium Term  
Plan



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Plan

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Organization  
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## DIRECTOR-GENERAL'S INTRODUCTION

*I take pleasure in submitting to the Council, through the Programme and Finance Committees, the proposed Medium Term Plan for the period 2004-09.*

*This is the second version of the Medium Term Plan prepared in accordance with the enhanced programme - budget process endorsed by FAO Governing Bodies. The essence of a "rolling" plan implies that this document should ensure continuity with the substantive contents of the previous version, while reflecting essential updating as necessary to respond to changing contexts.*

*The formulation of proposals, as contained in this document, adheres scrupulously to the guidance provided by FAO Governing Bodies. In the first instance, it is important to recall that the Secretariat is mandated to implement the Corporate Strategies to Address Members' Needs, as outlined in the Strategic Framework 2000-2015 approved by the Conference in November 1999. Inherent in these strategies is the need for the Organization to play its due role in assisting Members with the implementation of the World Food Summit Plan of Action.*

*The recently held World Food Summit: five years later (WFS: fyl) enjoined the international community to stay on course in the fight against hunger and malnutrition, and it asked for redoubling of efforts in the same direction. FAO undoubtedly can make some contributions to the international alliance against hunger, called for in the Declaration adopted by WFS: fyl, and its contributions can prove important and catalytic, if well timed and appropriately focused. Part II of the document is dedicated to demonstrating how each programme entity serves to meet the goals of Members.*

*This document also embodies further progress in the application of results-based principles, responding to the expressed demands of Governing Bodies. A better articulation of programme narratives has been introduced, together with improved justifications in terms of the effective impact expected "down the line", i.e. beyond the mere delivery of goods and services.*

*It may be stressed that a more substantial exposition has been made of the Strategies to Address Cross-Organizational Issues (in Part III of this document). These were somewhat briefly covered in the previous version, and the Secretariat has sought to react to remarks by Members in this regard. In effect, who can dispute the importance for an international institution like FAO of better communicating with the outside world, of actively mobilizing resources for both its own work and for its stakeholders, of further improving its management practices, of maximizing its impact through enhanced partnerships, of ensuring inter-disciplinary approaches to increasingly complex challenges, and of striving for excellence at a time of acute competition for resources? The proposed actions in Part III must be seen in many ways as the wherewithal to enable FAO to do the best possible job in delivering the programmes outlined in Part II.*

*Through the extensive contacts I have been privileged to have with their representatives up to the highest levels, the governments of Member Nations have given very clear indications that they wish FAO to continue to implement its mandate effectively. They also expect the best standards of performance and timeliness in providing the required services to them. At this juncture, the key sector of food and agriculture is fraught with challenges of incontrovertible, compelling nature. In this context, is it untoward for its managers to wonder how long FAO will need to cope with the striking contradiction between very explicit requests from the Members for more to be achieved and the prolonged period of budgetary stringency? In other words, I again need to ask whether real growth should remain a distant aspiration?*

*The pattern of decisions by the FAO Conference in the last few biennia has not been encouraging for those who devote their careers and pledge their commitment and experience to serve the Organization. In November 1993, the Conference adopted a budget level for the following biennium of US\$ 673.1 million. In November 2001, the voted level was US\$ 651.7 million. This obvious drop in pure nominal terms hides an even more serious decline of 15% in real terms, putting a brake on FAO's capacity to expand the products and services*

*it needs to provide to the membership in the exercise of its mandate. The one ray of hope in the decision made by the Conference in 2001 is that the budget was approved at a level of zero real growth for the first time in eight years – hopefully opening the door to real growth in 2004-05.*

*If the Organization has managed to remain relevant despite lower budgets, has continued to make well-appreciated contributions to international cooperation, and has even succeeded in achieving wholesale modernization and full adaptation to rapidly changing technologies, it is certainly due in large part to the determined search for maximum efficiencies, and to the resolute choice made not to shirk the difficulties inherent in extensive reforms.*

*In the same eight years, world GDP has surged forward dramatically – though regrettably leaving behind many poor nations and disadvantaged groups within nations – while world population has continued to grow relentlessly. The WFS:fy1 gave the opportunity to the international community to renew its commitment to accelerate progress against still unacceptably high and widespread hunger and malnutrition, and massive poverty.*

*Bearing all these factors in mind, I invite the membership to consider increasing the level of resources available to FAO over the planning period of the Medium Term Plan, i.e. the next three biennia of 2004-09. The attendant proposed increases in Appropriations in this MTP may look substantial, but they are not the product of imagination. They result from a detailed bottom-up examination of requirements in all technical areas dealt with by the Organization, coupled with the necessary filling of essential gaps in support areas. Throughout the document, Members will see clear justifications, and the evidence of expected direct benefits to them of such increased levels. The Regular Budget resources are to be buttressed by the renewed and determined search for extra-budgetary resources, building on currently positive signs of reversal of previously declining trends.*

*I would draw attention to the main features of the proposals, as follows:*

- *a vigorous increase in technical programmes favouring in particular work on forestry and*

*fisheries, while strengthening other programmes where warranted. For instance, sufficient resources are provided for the effective implementation of essential instruments such as the International Treaty on Plant Genetic Resources for Food and Agriculture, the International Plant Protection Convention (IPPC), the Code of Conduct for Responsible Fisheries and associated International Plans of Action, Codex, standards for genetically modified organisms and pesticide use and many others. The proposals involve strengthened information systems in the many areas where FAO exercises leadership, including through WAICENT, FIVIMS and the GIEWS; a well articulated and comprehensive programme of global assessment reports and outlook studies – a key contribution of FAO to international and national thinking and decision-making on food and agriculture – as well as substantial support to Members in the context of multi-lateral trade negotiations and international environmental agreements. Also, in the light of the expected increased level of extra-budgetary support to the SPFS, the provision under programme 2.5.6 needed to be adjusted accordingly;*

- *a major increase in Technical Cooperation Programme (TCP) resources, aimed at raising its share of the Appropriation from the current level of 14.6 percent to the level of 17 percent by the end of the planning period, as called for in Conference Resolution 9/89;*
- *a - more limited - increase in resources for FAO country offices, bearing in mind that they constitute an increasingly vital layer in the whole organizational structure, actively supporting both the normative and operational sides of total FAO activities as well as acting as FAO's entry point into UN system-wide country level planning exercises; and*
- *selective increases in other areas, to meet as mentioned above identified critical gaps in funding which would, if unfilled, prevent FAO from performing adequately and effectively.*

*The proposals do not include a number of important one-time investments or expenditures, which it is suggested could be met by Governing Bodies exploring the well accepted concept of a capital budget. If the Council agrees, the Secretariat will*

*explore possible approaches to the establishment and funding of such a budget with the Finance Committee and eventually report back to the Council.*

*Of course, all resource projections as may appear in FAO medium-term planning documents are indicative and non-binding on the membership – as opposed to when the membership approves Budgetary Appropriations for a given biennium. Nevertheless, they provide a valuable guide to the Secretariat's best judgement of what is required to meet the needs of the Membership.*

*I hope that the proposals set out in this document will be found to reflect a reasoned and comprehensive analysis of requirements and that they will be found broadly acceptable as to the general direction the Organization should be taking in the medium-term. At their scheduled sessions of early 2003, the Committees on Agriculture, Fisheries and Forestry will also have the opportunity of providing advice on those activities falling under their respective mandates and their views will be given due consideration in the preparation of the budget for 2004-05.*

*Thus, having taken into account the results of the review by the Programme and Finance Committees, the Council may wish to record its approval in principle for the Medium Term Plan 2004-09 - subject to its own conclusions being taken into full consideration in the PWB preparatory process. As a final note, beyond my own expectation as Executive Head, I know that it is the sincere hope of the whole Secretariat that the Governing Bodies will consider that the time is ripe for FAO to benefit again from net growth in resources. Net growth has somehow become unwittingly a kind of taboo word in the UN system. The staff at large wish net growth to resume in FAO in order to be able to translate the proposals in this Plan into effective, growing services to Members.*

*In this light, I look forward to fruitful discussion of this document in the Committees and the Council.*



**Jacques Diouf**  
Director-General

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# PART I

## Approach

### BROAD STRATEGIC ORIENTATIONS

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1. The formulation of the *Strategic Framework 2000-2015* adopted by the Conference in November 1999, and most recently the substantial analytical process leading to the World Food Summit: *five years later*, have amply explored and documented the major problems and issues facing the international community, as regards the key sector of food and agriculture *lato sensu*. Many require immediate, compelling action, while others are of a longer-term nature, but equally important to address by countries individually and collectively.
2. This second version of the Medium Term Plan (MTP) covers the period 2004-2009, and is heavily influenced by the imperative of assisting Members in meeting their recently reconfirmed commitments under the World Food Summit (WFS) Plan of Action. This reaffirmation of the outcome of the WFS, is also to be seen as a re-endorsement of the relevance of the Strategic Framework, which was developed to elicit an agreed view of Members of FAO's role in helping them achieve the three global goals they endorsed in that document:
  - Access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of chronically undernourished people is reduced by half, by no later than 2015.
  - The continued contribution of sustainable agriculture and rural development, including fisheries and forestry, to economic and social progress and the well-being of all.
  - The conservation, improvement and sustainable utilisation of natural resources, including land, water, forest, fisheries and genetic resources for food and agriculture.
3. It will be recalled that the expected responses from FAO were expressed in the Strategic Framework document, in terms of five major corporate strategies:
  - A. Contributing to the eradication of food insecurity and rural poverty;
  - B. Promoting, developing and reinforcing policy and regulatory frameworks for food, agriculture, fisheries and forestry;
  - C. Creating sustainable increases in the supply and availability of food and other products from the crop, livestock, fisheries and forestry sectors;
  - D. Supporting the conservation, improvement and sustainable use of natural resources for food and agriculture; and
  - E. Improving decision making through the provision of information and assessments and fostering of knowledge management for food and agriculture.
4. The need to relate all future substantive activities to these corporate strategies and underlying strategic objectives has, therefore, become an entrenched and essential dimension of the planning process, as demonstrated in *Part II* of this document.

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## RESOURCES

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### *Background*

5. In the MTP 2002-07<sup>1</sup>, the case was made that FAO should be afforded the resources necessary to respond to the substantial demands of the membership. This was also predicated on the demonstrated capacity of the Organization to achieve maximum cost-effectiveness in the delivery of outputs and services, while assisting its Member Nations in meeting their goals. It was recalled in the same MTP that the Regular Programme resources of the Organization had suffered a major decline of 14.6% in real terms: that is, a US\$ 95 million reduction in its biennial budget since the approved budget for 1992-93.

6. The approval by the last Conference of the Programme of Work and Budget (PWB) 2002-03 on the basis of zero real growth, marked a welcome departure from a worrisome pattern of zero nominal growth budget decisions in the previous biennia, regardless of the demand for FAO's services. However, it remains that FAO's budget for the present biennium of US\$ 651.7 million is still less in purely nominal terms (and as recalled above, very much less in real terms) than the budget approved now more than 10 years ago.

### *Programme of Work and Appropriations*

7. As endorsed by FAO's Governing Bodies, the Programme of Work and Budget is based on an integrated presentation method, i.e. resources stemming from Assessments on Members and miscellaneous income (both forming the basis for the Appropriations eventually voted by the Conference) combined with Other Income, i.e. additional resources closely associated with the implementation of the approved Programme of Work for the biennium. Examples of such Other Income include contributions by partner organizations to joint programmes, or reimbursements from funding sources of field project support costs, based on agreed policies. In the same way as in the PWB document, resource estimates in this MTP, particularly those in *Part II*, refer to the Programme of Work. For ease of understanding by Members, however, tables in this section and summary tables in *Part II* may also refer, as appropriate, to the share of Appropriations in the total Programme of Work.

8. A greater effort has been made in the context of the formulation of this MTP to identify and estimate the extent of Other Income which will directly support the implementation of component entities and major outputs, and thus the total Programme of Work over the 2004-09 period. The guidance provided to the concerned units was that such contributions should only be included if they were already available, or where the availability of such funding was reasonably assured. In order to achieve transparency and identify clearly the eventual significant variations in resource estimates under the pertinent programme entities on account of this refined forecasting effort, the standard entity tables in *Part II* show these Estimated Additional Voluntary Contributions in a separate row.

9. There are also some differences in presentation of resource estimates between the global picture in this *Part I*, and the more detailed picture for substantive work in *Part II* (i.e. the estimates at programme and entity levels) which are worth signalling:

- a) centrally managed provisions, such as for computer services, or administrative support provided by the Management Support Service (MSS) of the AF

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<sup>1</sup> CL 119/17

- Department, are not directly under the control of the responsible units, and are excluded from the detailed resource estimates in *Part II*;
- b) provisions for programme management, which do not involve any material change in scope, are not included in *Part II* for the sake of brevity;
  - c) unprogrammed resources resulting from programme entities coming to completion between 2006 and 2009, and resources tentatively assigned to new entities with start dates from 2006 onwards are included in *Part I*, and in the programme-level summary resource tables in *Part II*, but do not show in the entity-level tables in *Part II*.

### ***Proposal for the six-year planning period***

10. The prevailing context of high demand for FAO's services, its key role in assisting Members to achieve their goals, and its record as an Organization which has sought to reform itself, adjust to current times and maximise cost efficiency has been the dominant consideration in framing proposals for 2004-09. The expectation of the Secretariat is that the membership would now consider increasing the budget level in net terms over the next three biennia.

11. The following Table 1 shows the indicative level of resources proposed for the Programme of Work.

**TABLE 1: MEDIUM TERM PLAN 2004-2009 PROGRAMME OF WORK  
(AT CONSTANT COST LEVELS - US\$ 000)**

Budgetary Chapter/Major Programme		2004-05	2006-07	2008-09
MP 1.1	Governing Bodies	17,072	17,048	17,029
MP 1.2	Policy, Direction and Planning	23,194	23,158	23,132
MP 1.3	External Coordination and Liaison	15,722	15,715	15,709
MP 1.9	Programme Management	834	832	831
<b>CH 1</b>	<b>General Policy and Direction</b>	<b>56,822</b>	<b>56,753</b>	<b>56,701</b>
MP 2.1	Agricultural Production and Support Systems	119,138	117,653	116,811
MP 2.2	Food and Agriculture Policy and Development	94,546	97,235	100,164
MP 2.3	Fisheries	46,657	47,911	48,485
MP 2.4	Forestry	47,362	52,825	55,053
MP 2.5	Contributions to Sustainable Development and Special Programme Thrusts	66,214	64,892	62,739
<b>CH 2</b>	<b>Technical and Economic Programmes</b>	<b>373,917</b>	<b>380,516</b>	<b>383,252</b>
MP 3.1	Policy Assistance	30,927	32,110	33,299
MP 3.2	Support to Investment	47,116	47,060	47,019
MP 3.3	Field Operations	18,796	18,213	17,638
MP 3.4	FAO Representatives	79,830	81,028	81,975
MP 3.5	Cooperation with External Partners	9,567	9,551	9,539
MP 3.9	Programme Management	1,720	1,649	1,578
<b>CH 3</b>	<b>Cooperation and Partnerships</b>	<b>187,956</b>	<b>189,611</b>	<b>191,048</b>
MP 4.1	Technical Cooperation Programme	103,107	113,757	124,407
MP 4.2	TCP Unit	3,096	3,441	3,787
<b>CH 4</b>	<b>Technical Cooperation Programme</b>	<b>106,203</b>	<b>117,198</b>	<b>128,194</b>
MP 5.1	Information and Publications Support	17,129	17,101	17,080
MP 5.2	Administration	45,992	45,012	44,250
<b>CH 5</b>	<b>Support Services</b>	<b>63,121</b>	<b>62,113</b>	<b>61,330</b>
<b>CH 6</b>	<b>Common Services</b>	<b>42,996</b>	<b>42,454</b>	<b>41,922</b>
<b>CH 7</b>	<b>Contingencies</b>	<b>600</b>	<b>600</b>	<b>600</b>
	<b>Programme of Work</b>	<b>831,615</b>	<b>849,245</b>	<b>863,047</b>
	Income	125,380	117,234	109,658
	<b>Appropriation</b>	<b>706,235</b>	<b>732,011</b>	<b>753,389</b>

12. The overall rationale behind the above figures can be summarised as follows:

- a) a vigorous increase in the provisions for technical programmes of the Organization, fully justified in detailed proposals in *Part II* of the document;
- b) a major increase in TCP<sup>2</sup>, as called for by Conference Resolution 9/89, aimed at raising its share of the Appropriation from the current level of 14.6% to 17% by the end of the planning period – this represents a 34.7% increase in TCP resources;
- c) an increase in resources for FAO's country offices, as explained below; and
- d) making the necessary adjustments or meeting clearly identified requirements under other headings.

13. At a more detailed level, the following features may be highlighted.

14. For FAO's substantive activities, i.e. the sum total of PWB Chapter 2, *Technical and Economic Programmes*, and Major Programme 3.1, *Policy Assistance*, no recommended "across-the-board" growth targets or mandatory ceilings have been imposed on the concerned departments and associated regional teams. Proposals under each major programme reflect

<sup>2</sup> Technical Cooperation Programme

a detailed bottom up planning process, wherein individual entities have been designed using results-based budgeting principles, as embodied in the programme model endorsed by the Conference (cf. more explanations below). To a large extent, the results reflect oft-expressed relative priorities, with overall increases of Appropriations in terms of percentages benefiting Major Programmes:

- a) 2.4, *Forestry* (i.e. 28.4%);
- b) 2.3, *Fisheries* (20.7%);
- c) followed by 2.1, *Agricultural Production and Support Systems* (19.3%);
- d) 2.2, *Food and Agricultural Policy and Development* (16.1%);
- e) 3.1, *Policy Assistance* (16.6%); and
- f) 2.5, *Contributions to Sustainable Development and Special Programme Thrusts* (13.5% excluding the increase on SPFS<sup>3</sup>).

15. Under the latter Major Programme 2.5, Programme 2.5.6, *Food Production in Support of Food Security in LIFDCs*<sup>4</sup>, is in fact afforded a much higher percentage raise as staffing must be increased to be able to support the anticipated very substantial and rapid rise in extra-budgetary activities. The responsible unit, TCOS<sup>5</sup>, may indeed face the challenge of handling projected extra-budgetary resources totalling US\$ 675 million over the six-year MTP period.

16. Under Chapter 3 of the PWB, Major Programme 3.2, *Support to Investment*, has not been increased, in line with the signals from the partner financial institutions, to the effect that cooperation with FAO should normally continue at current levels. The increase for FAORs under Major Programme 3.4 is aimed, in the first instance, at strengthening the offices being run by outposted technical officers, with the addition of either NPOs<sup>6</sup> or administrative assistants (G-6) and increased provisions for General Operating Expenses. This is not intended to relieve the governments concerned of their obligations, but merely to enable these offices to function on a par with other offices. The remainder is aimed at facilitating the FAORs' responses to UN system-led national development needs assessments and programming exercises.

17. Under Chapter 4 of the PWB, the TCP's share of the Appropriation would grow progressively, in accordance with Conference Resolution 9/89, as follows:

Share of Appropriation	Percentage
PWB 2002-03	14.6%
MTP 2004-05	15.0%
MTP 2006-07	16.0%
MTP 2008-09	17.0%

18. Under Chapter 5, *Support Services*, the overall increase of 1.4% is the result of a much larger increase foreseen in the first biennium, to be offset by reductions in the subsequent biennia. Public information work is to be strengthened by the addition of US\$ 1 million in support of the cross-organizational strategy on *Communicating FAO's messages*.

<sup>3</sup> Special Programme for Food Security

<sup>4</sup> Low-income, Food-deficit Countries

<sup>5</sup> Special Programmes Coordination and Monitoring Service

<sup>6</sup> National Professional Officers

19. The second increase reflects the preliminary outcome of major studies carried out by outside advisers on the AFF<sup>7</sup> Division's structure (also on the AFI<sup>8</sup> Division, but in view of the Pool arrangement for computer services, this affects all budgetary chapters). Some increases in posts (i.e. eleven posts in AFF, and ten posts in AFI) are included for the biennium 2004-05, while a decline in numbers is expected thereafter, based on the inherent assumption of further efficiency gains, through streamlining and improved information technology governance.

20. Finally, an additional US\$ 1.5 million has been included to fund various initiatives in the staff development area, arising from needs of the cross-organizational strategies for *Ensuring excellence, Enhancing inter-disciplinarity* and *Continuing to improve the management process* (cf. short summary of the major purposes under *Staff training* below).

### ***Impact upon budgetary proposals for 2004-05***

21. The following Table 2 illustrates the impact of these proposals on the next biennium 2004-05, by comparing them with the budget base for 2002-03. The data is given at the level of the Appropriation so as to eliminate the impact of other income and focus on the distribution of the proposed level of Regular Programme resources.

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<sup>7</sup> Finance Division

<sup>8</sup> Information Systems and Technology Division

**TABLE 2: COMPARISON OF MEDIUM TERM PLAN'S FIRST BIENNIUM (2004-2005) WITH THE PROGRAMME OF WORK AND BUDGET 2002-2003 APPROPRIATION (NET BUDGET)**

Budgetary Chapter/Major Programme		Appropriation		Variance	
		PWB 2002-03	MTP First Biennium 2004-05	US\$ 000	Percentage of Change
MP 1.1	Governing Bodies	17,030	17,072	42	0.2%
MP 1.2	Policy, Direction and Planning	19,990	20,561	571	2.9%
MP 1.3	External Coordination and Liaison	14,072	15,285	1,213	8.6%
MP 1.9	Programme Management	731	834	103	14.1%
<b>CH 1</b>	<b>General Policy and Direction</b>	<b>51,823</b>	<b>53,752</b>	<b>1,929</b>	<b>3.7%</b>
MP 2.1	Agricultural Production and Support Systems	90,544	100,619	10,075	11.1%
MP 2.2	Food and Agriculture Policy and Development	84,966	93,066	8,100	9.5%
MP 2.3	Fisheries	38,982	43,196	4,214	10.8%
MP 2.4	Forestry	30,176	34,571	4,395	14.6%
MP 2.5	Contributions to Sustainable Development and Special Programme Thrusts	47,680	54,709	7,029	14.7%
<b>CH 2</b>	<b>Technical and Economic Programmes</b>	<b>292,348</b>	<b>326,161</b>	<b>33,813</b>	<b>11.6%</b>
MP 3.1	Policy Assistance	27,340	29,513	2,173	7.9%
MP 3.2	Support to Investment	18,172	18,269	97	0.5%
MP 3.3	Field Operations	2,613	2,119	-494	-18.9%
MP 3.4	FAO Representatives	63,977	67,373	3,396	5.3%
MP 3.5	Cooperation with External Partners	7,124	7,152	28	0.4%
MP 3.9	Programme Management	1,593	1,536	-57	-3.6%
<b>CH 3</b>	<b>Cooperation and Partnerships</b>	<b>120,819</b>	<b>125,962</b>	<b>5,143</b>	<b>4.3%</b>
MP 4.1	Technical Cooperation Programme	92,457	103,107	10,650	11.5%
MP 4.2	TCP Unit	2,738	3,096	358	13.1%
<b>CH 4</b>	<b>Technical Cooperation Programme</b>	<b>95,195</b>	<b>106,203</b>	<b>11,008</b>	<b>11.6%</b>
MP 5.1	Information and Publications Support	16,080	17,129	1,049	6.5%
MP 5.2	Administration	36,498	37,959	1,461	4.0%
<b>CH 5</b>	<b>Support Services</b>	<b>52,578</b>	<b>55,088</b>	<b>2,510</b>	<b>4.8%</b>
<b>CH 6</b>	<b>Common Services</b>	<b>38,395</b>	<b>38,469</b>	<b>74</b>	<b>0.2%</b>
<b>CH 7</b>	<b>Contingencies</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0.0%</b>
<b>Appropriation</b>		<b>651,758</b>	<b>706,235</b>	<b>54,477</b>	<b>8.4%</b>

22. It is emphasised that these resource projections are indicative, while resulting from a detailed analysis of requirements and seeking to redress significant resource gaps for FAO to perform efficiently and effectively. It is also noted that the amounts have not yet been subject to the analytical rigour associated with the preparation of proposals for inclusion in the Programme of Work and Budget. However, they should assist Members in making the policy level decisions required in the context of the Medium Term Plan.

### *Staff training*

23. *Part III* of the MTP gives considerable prominence to the need to enhance staff development and training in FAO. Contrary to practices in many private companies and national administrations, this has often been a well-recognised but largely under-financed

priority over so many years, often the unintended victim of budgetary stringency. The proposed main areas of emphasis are summarised below.

24. **Current staff development programmes:** while other ongoing topics of interest are mentioned under the following rubrics, it may be recalled that current training programmes cover the upgrading of skills in office automation and Web-based information and communication systems; competencies for the smooth operation of the Oracle financial and human resource management systems; and language training – to be progressively extended to the full range of FAO's official languages.

25. **Development of skills and competencies in support of cross-organizational strategies:** training programmes in this area will address managing inter-disciplinary teams and related facilitation skills; project design, management and evaluation; strategic communication and media; negotiation and conflict management; and managing people effectively.

26. **Core management competencies:** in consistency with related UN system initiatives, the training will seek to introduce new managers, or staff expected to move from technical specialist positions to managerial ones, to the roles, functions and skill requirements for effective management.

27. **Staff development in decentralized offices:** the increased decentralization in FAO's activities must be matched by adequate staff development and learning opportunities in offices outside Headquarters, taking into account the constraints of distance and cost. Urgent needs exist particularly for training in project cycle management, design and evaluation, but other areas such as professional and technical development, communication skills, information technology and orientation for new staff should be put progressively on a par with opportunities offered at Headquarters.

28. **Professional development:** to maintain FAO as a centre of excellence, technical staff and managers will be further encouraged to keep up their professional skills in respective disciplines, through participation in external training programmes and technical seminars, active membership of professional societies and associations, on-the-job training and developmental assignments, whenever possible.

29. **Enhanced skills for staff using training as a means of action in delivering technical programmes:** the need for an effective training-the-trainers programme has arisen out of the review of training activities by the Programme Committee. A wide cross section of FAO's staff is, in fact, involved in delivering training to external clients and partners in the field. This programme will be of a modular nature, including needs identification, course development and design, training approaches, with adult-learning principles, monitoring and evaluation of training.

30. **Development of a learning resource centre:** this initiative should assist with a continuous learning culture at FAO, i.e. the ability for staff to learn, grow and change, individually and collectively. Flexible approaches will be adjusted to the desired pace of staff members, and a Learning Resource Network (LRN) developed. The LRN should facilitate self-study and will be supported by learning materials and modern technologies.

### *Capital budgeting*

31. Current times of rapid technological change in office automation and communications, and the need to put in place new generations of better performing administrative systems at recurrent intervals, imply high-cost acquisitions by the



Organization, concentrated in short periods. The same considerations apply to major enhancement of premises. However, FAO operates on the basis of a biennial budget, without possibility to carry over or accumulate "reserves" at the end of the period. Moreover, its budget has been subject to severe restrictions regarding growth in the last biennia, and even suffered a substantial reduction in both nominal and net terms.

32. Commercial companies can account for depreciation and may contemplate capital budgeting arrangements, while governments can make provision for exceptional one-time expenditures in public administrations without necessarily forcing them to "absorb" the cost within their budget. FAO is not a private company, while the natural reluctance of its Members to facing increased assessments is certainly not overlooked. Yet, FAO is still expected to deliver its programmes in a cost-effective, efficient and timely manner, something which can be disrupted by the above sudden jumps in financial requirements, for which no reserves exist. Regrettably, it is forced to "scrape by", trying to juggle through the necessary one-time investments, within a fixed budget envelope. This has often led to delays and frustrations or - worse - could at times lead to less than optimal results. A recent example concerns the Oracle project, where significant implementation problems were attributed, at least in part, to the lack of sufficient and assured resources.

33. The membership may, therefore, consider whether it would be the time to introduce the concept of capital budgeting in FAO. This concept would imply that, beyond the budget for normal expenditures, there should be a budget for one-time "capital items" (e.g. major equipment purchases, one-time development costs of major systems, etc.). Reputable firms of management consultants have also recently recommended introduction of the practice in FAO's context. It may be noted that the issue of capital budgeting was raised in the MTP 1992-97, but the Conference reacted somewhat evasively, as follows:

*"The Conference also noted the suggestion regarding the possibility of introducing the concept of capital budgeting into FAO budgetary practices. It observed that such a concept could be introduced only if it were compatible with budget regulations in Member Nations, and that it could return, to the issue at some future date."*

34. A tentative capital budget proposal is included in Table 3 below. This is not accompanied by any firm proposal for appropriate financial mechanisms, subject to reactions of the Finance Committee and Council to the concept, when considering this MTP. Most of these items were proposed for funding by eventual arrears payments in the current biennium, as endorsed by the Conference in its Resolution 6/2001. Hence, they are not taken into account in the preceding overall tables of estimates for 2004-09.

**TABLE 3: CAPITAL BUDGET PROPOSAL FOR THE PLAN PERIOD OF COVERAGE (US\$ 000)**

<b>Capital Items (all amounts in US\$ 000)</b>	<b>2004-05</b>	<b>2006-07</b>	<b>2008-09</b>
Complete development of PIRES <sup>1</sup>	1,020	0	0
Oracle Phase II development (HR and payroll modules)	19,969	0	0
Refinement of Oracle Phase I modules	3,700	0	0
Replacement of Headquarters' LAN <sup>2</sup>	340	0	0
FAOSTAT working system migration	3,000	0	0
Rearrangement of computer centre	550	0	0
Phase II of FPMIS <sup>3</sup>	800	0	0
Completion of Wide Area Network for FAORs	600	0	0
New WAICENT environment	1,750	0	0
Amortisation of ASMC <sup>4</sup> liability	14,100	14,100	14,100
<b>Total Capital Requirements</b>	<b>45,829</b>	<b>14,100</b>	<b>14,100</b>

<sup>1</sup>Programme Planning, Implementation Reporting and Evaluation Support System

<sup>2</sup>Local Area Network

<sup>3</sup>Field Programme Management Information System

<sup>4</sup>After-Service Medical Coverage

35. Although well known to the Finance Committee, some explanation may be warranted for the item on ASMC. It may be recalled that this is an area of cost, which was not being fully funded. Initially, FAO operated on a "pay-as-you-go" approach (i.e. enough to cover current claims). However, following actuarial valuations, two problems were recognised:

- a) FAO had an outstanding liability for ASMC (e.g. over US\$ 200 million at 31 December 2001) which from an accounting viewpoint had to be disclosed in the accounts of the Organization; and
- b) a practical implication was that pay-as-you-go payments would grow exponentially in the coming years, as the ratio of the retiree population to active contributors will increase the Organization's share of premiums to proportions which would distort the budget by huge amounts.

36. The response, as endorsed by the Governing Bodies, has been to:

- a) budget for current service cost, as well as the pay-as-you-go cost (this prevents the outstanding liability from growing further); and
- b) allow surpluses on investments to be set aside in the General Fund to cover the ASMC accrued liability (this has resulted in US\$ 97 million being successfully set aside for this purpose).

37. However, apart from the use of investment gains, which are unlikely to be repeated in the next few years at the rate experienced in the 90's, the Governing Bodies have not decided on any funding formula to cover the remaining outstanding liability. It is, therefore, proposed that the capital budget include a provision of US\$ 14.1 million per biennium, being the funding required for the remaining 24-year amortisation, which will be made in the biennial accounts.

## EXTRA-BUDGETARY RESOURCES FOR FAO'S NORMATIVE AND OPERATIONAL ACTIVITIES

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38. *Part III* of this document contains an updated and detailed strategy for *Leveraging resources for FAO and its Members*. Implementation of this strategy should enable the Organization and the membership to capitalise on the very auspicious reversal of past declining trends in field programme delivery, as being experienced during the present year 2002. The mobilisation of extra-budgetary resources for operational – and normative – activities will, therefore, remain a major preoccupation of staff at all levels under the leadership of the Technical Cooperation Department. As emphasised by the Declaration adopted at the World Food Summit: *five years later*, the FAO Trust Fund for Food Security and Food Safety should serve as a major vehicle in this resource mobilisation effort.

39. It is recalled that the Trust Fund contemplates three main areas of intervention:

- a) food security and food safety;
- b) emergency prevention of transboundary animal and plant pests and diseases; and
- c) assistance in project and programme studies to increase investment in agriculture.

40. As for the MTP 2002-07, no attempt has been made in this Plan to forecast with any degree of precision the evolution of FAO's field programme over the six-year planning period, given the number of variables and the often unpredictable external factors which impinge on its development.

### *Resources to leverage FAO's action*

41. Nevertheless, FAO's technical departments have been invited to assess opportunities of extra-budgetary support under specific programme areas, i.e. where these resources could further leverage and extend the impact of programme entities. This effort went beyond the identification of firm instances of possible additional income to reinforce the Programme of Work in 2004-09, as mentioned above in the section entitled *Programme of Work and Appropriations*.

42. The guidance given in this respect was that these opportunities should, of course, be firmly based on the objectives, outcomes and outputs of the respective programme entities and their potential application to the field. In addition, in the assessment of prospects, units were advised not to feel constrained by the likelihood of actually obtaining the extra-budgetary funding.

43. Paragraph 131 of the Strategic Framework document is worth quoting in this connection:

*"For the Organization's normative programmes it is important that extra-budgetary resources be mobilized:"*

*a) to support FAO pilot programmes aimed at testing and proving normative hypotheses in response to emerging issues;*

*b) to support activities of the Regular Programme directly so as to increase the total level of resources made available for the normative functions of FAO, ensuring that, in doing so, the independence of FAO's work (e.g. in standard setting) is not compromised; and*

*c) to maximize the impact of its targeted programmes and foster the synergy between normative and field activities, utilizing, as appropriate, its own human and financial resources and promoting joint undertakings with donors."*

44. This exercise should also be seen as meeting at least on a preliminary basis, a request made by the Programme Committee at its May 2002 meeting, to the effect that it should: "*be provided at its next session with information on those FAO activities which were expected to be funded from extra-budgetary resources, relating such activities to the programme priorities in the medium term.*"

### *Indicative and selective list*

45. As a result of this analysis of possible opportunities, a tentative – while not exhaustive – list is given in Table 4 below.

**TABLE 4: INDICATIVE AND SELECTIVE LIST OF POSSIBLE FAO'S ACTIVITIES WHICH COULD BE FUNDED FROM EXTRA-BUDGETARY RESOURCES**

Programme Entity	Entity Title	Strategic Objective	PURPOSE
210P1	Secretariat of the Commission on Genetic Resources for Food and Agriculture (CGRFA)	All	a) Further studies in the FAO series <i>Ethics in Food and Agriculture</i> , with supporting seminars and workshops; b) maintenance of Web site on ethics; c) enhanced coordination with other relevant processes.
210P1	Secretariat of the Commission on Genetic Resources for Food and Agriculture (CGRFA)	B1	To enable greater participation of developing countries in the meetings of the Commission, acting as the Interim Committee for the International Treaty on Plant Genetic Resources for Food and Agriculture.
211A3	Integrated Land, Water and Plant Nutrition Policies, Planning and Management	C2	To enhance quality of support provided to ongoing GEF <sup>9</sup> /UNDP <sup>10</sup> projects.
211P7	Land and Water Information Systems, Databases and Statistics	E1	To expand collaboration with key international water-related initiatives.
212A4	EMPRES <sup>11</sup> - Plant Pests Component	A3	a) To expand with donor support the desert locust component of EMPRES to all interested regions, particularly West and North-West Africa, Eastern and Central (around the Red Sea) regions; and b) to meet ancillary requirements, i.e.: <ul style="list-style-type: none"> <li>• establishment of a Secretary post for the South-West Asia Commission, EMPRES Eastern Region, as it has been without this post since 1991;</li> <li>• additional Remote-Sensing/Information Officer post for the Locust Group, AGPP<sup>12</sup> to improve the use of SPOT<sup>13</sup> imagery in identifying likely locust habitats in the remote areas; and</li> <li>• support to establishment of a Regional Locust Coordination Body in Central Asia.</li> </ul>

<sup>9</sup> Global Environment Facility

<sup>10</sup> United Nations Development Programme

<sup>11</sup> Emergency Prevention System for Transboundary Animal and Plant Pests and Diseases

<sup>12</sup> Plant Protection Service

<sup>13</sup> Environmental satellite system

Programme Entity	Entity Title	Strategic Objective	PURPOSE
212A5	"Mainstreaming IPM <sup>14</sup> " by Enhancing Essential Ecological Processes	C1	a) To support core operations under the Global IPM facility and regional IPM projects; b) to support IPM activities and networks in three sub-regional groupings, including SADC and ECOWAS, building on preparatory assistance in 2002-3; and c) regional GEF projects to ameliorate the impact of Persistent Toxic Substances that are expected ultimately to be covered by the Stockholm Convention.
212P1	Secretariat of the International Plant Protection Convention (IPPC)	B2	a) To support enhanced capacity building to meet national obligations under the IPPC; and b) to enhance Standard Setting cooperation, including at regional level.
212P2	Pesticide Management	C2	To support further the prevention and disposal of obsolete and unwanted pesticide stocks.
212P4	Technical Support to the International Treaty on Plant Genetic Resources for Food and Agriculture	B2	To assist with new demands from developing countries in relation to the implementation of the International Treaty on PGRFA at national level.
212P5	Support to Strategy Formulation and Promotion of Specific Action for Rice Development in Member Countries of the International Rice Commission (IRC)	C1	To support activities related to the International Year of Rice, including assisting the IRC in developing the programme for the UN Declaration for the International Year of Rice.
213A3	Contribution of Livestock to Poverty Alleviation	A1	To establish regional modules for the Pro-Poor Livestock Policy Facility to foster national policy dialogue for clean, safe and equitable livestock farming.
213A5	Developing the Global Strategy for the Management of Farm Animal Genetic Resources	D1	To support follow-up to country reports (analysis, consolidation, summary) at regional and global levels; to support target regions and countries in AnGR conservation and utilisation.
213A6	Veterinary Public Health Management and Food and Feed Safety	C2	To formulate and initiate a global programme for the prevention and control of BSE <sup>15</sup> and other zoonotic diseases.
213A7	EMPRES – Livestock	A3	a) To further expand the animal health component of EMPRES; b) to develop a TADs <sup>16</sup> intelligence system; and c) to strengthen the Central Asia programme for the control of TADs.
213A8	Technologies and Systems for Efficient Natural Resource Use in Livestock Production	D1	To implement the second phase of the Livestock, Environment and Development (LEAD) Initiative.
214A1	Enhancing Small Farmer Livelihoods	A1	a) To support pilot application and appraisal of financing mechanisms and products for small farmers under SPFS <sup>17</sup> ; and b) to support same work for integrated services to facilitate diversification in small farm enterprises.
214A2	Meeting Urban Food Needs	A2	To support activities for increasing the profitability and sustainability of peri-urban farming systems, thereby increasing food supplies to cities.

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<sup>14</sup> Integrated Pest Management

<sup>15</sup> Bovine Spongiform Encephalopathy

<sup>16</sup> Transboundary animal diseases

<sup>17</sup> Special Programme for Food Security

Programme Entity	Entity Title	Strategic Objective	PURPOSE
214A3	Sustainable Commercial Provision of Input Supply, Mechanisation, Investment Support and Marketing Services	C1	a) Further case studies on domestic marketing constraints impeding expansion of exports; b) national case studies on fertiliser import and distribution costs following trade liberalisation and fragmentation of the fertiliser marketing sector; and c) support to the Capacity Building in Rural Finance Initiative (CABFIN) with a "knowledge bank" for dissemination of good practices in rural banking and innovative financial instruments such as MicroBanker.
214A4	Agribusiness Development Targeted to Small and Medium Post-production Enterprises	C1	To support analysis of farm-agribusiness linkages and agribusiness development in general.
214P2	Agricultural Services - Data and Information Systems	B2	a) To expand collection of valuable farm-level data in countries; and b) to help meeting demands for generic safety standards for agricultural equipment other than sprayers (due to resource constraints, work on standards for farm machinery and equipment is now restricted to pesticide application equipment).
220A1	Food Insecurity and Vulnerability Information for Better Policy Targeting (FIVIMS)	E1	DFID <sup>18</sup> has been involved with the FIVIMS initiative as a member of IAWG <sup>19</sup> -FIVIMS and in the development of several conceptual documents. A closer partnership is envisaged to strengthen methodologies; also EC <sup>20</sup> support to national FIVIMS based on successful experience so far.
221P5	Food Quality Control and Consumer Protection	B1	Capacity building for effective food control systems (organisation of training sessions and workshops) and global or regional meetings of food safety regulators.
221P6	Food Safety Assessment and Rapid Alert System	B1	To support improvement of data collection particularly in developing countries, for better application of risk assessments.
222A2	FAO/World Bank/USDA <sup>21</sup> Initiative for Agricultural Statistics in Africa	E1	Enhancing the Initiative for Agricultural Statistics in Africa.
222A3	FAO Country Profiles and Mapping Information System	E1	To make the country profiles system available in languages other than the official languages of the Organization.
222A5	World Agriculture Information Resource System (WAIR)	E1	APOs <sup>22</sup> with experience in thesauri, and meta data elements would contribute to timely establishment and implementation of tools for Members, and networking to implement the WAIR.
222A6	Multi-Agency Programme for Capacity Building in Food and Agricultural Statistics in Africa	E1	Enhancing the multi-agency programme for capacity building.
222P6	WAICENT Corporate Information Management and Dissemination Systems	E1	APOs' support for timely implementation of corporate multilingual infrastructures and system enhancements.
222P7	Standards, Norms and Procedures for Improved Access to Agricultural Information	E1	To enhance work on standardisation of information and support training.
222P8	Facilitation of WAICENT Outreach	A1	APOs' support for timely development of the resource kit distance-learning tool.

<sup>18</sup> UK government Department for International Development

<sup>19</sup> Inter-agency Working Group

<sup>20</sup> European Community

<sup>21</sup> United States Department of Agriculture

<sup>22</sup> Associate Professional Officers

Programme Entity	Entity Title	Strategic Objective	PURPOSE
222P9	Virtual Library and Library Information Services in Support of WAICENT	E1	To expedite the automation of data dissemination services.
222P9	Virtual Library and Library Information Services in Support of WAICENT	E1	Telecom companies and other sources could assist with establishing Virtual Libraries in FAO Representations.
223P6	Global Information and Early Warning System on Food and Agriculture	A3	To support building national and regional capabilities for methodologies used in crop and food supply assessment missions under the GIEWS <sup>23</sup> .
224A2	Commodity and Trade Policy Support to Developing Countries for Trade Negotiations	B2	To meet the growing demand in developing countries for assistance on agriculture-related issues of the multilateral trade negotiations (also under other entities).
224P2	Agriculture, Poverty Alleviation, Rural Development and Food Security: Analysis of Linkages	A1	To meet the growing need of assistance by developing countries in analysing the relationship between export crop production and food security at national and vulnerable household levels.
224P4	Analysis and Consensus-Building on Emerging Commodity and Trade Issues	B1	To enhance support to regional trade arrangements and regional initiatives such as NEPAD <sup>24</sup> .
231A2	Development of Partnerships for the Fisheries Resources Monitoring System (FIRMS) of FIGIS	E1	To support initial implementation of FIRMS input by regional fisheries bodies, with training tools and methodologies provided by FAO.
231P1	Provision of Fisheries Information and Statistics	E1	To support implementation of the FAO Strategy on Improving Information on the Status and Trends of Capture Fisheries as a module in the FISHCODE <sup>25</sup> programme.
232A4	Monitoring and Reporting on Global Marine Resources and Relevant Environmental and Ecological Changes	C2	To support various Headquarters ecosystem-based fisheries management activities.
233A4	Consumption, Safety and Quality of Fish Products	B1	To follow up on the successful FAO Umbrella programme for training on MTN <sup>26</sup> and Uruguay Round (also affecting other entities such as 233P1).
233A5	Promotion of International Fish Trade	B2	Norway-funded study to identify key policy and organisational issues from which FAO would promote strategies in fish exporting developing countries designed within the framework of the Code of Conduct for Responsible Fisheries.
233P2	Promotion of International Fish Trade	B2	To support further study of international fish trade and food security, leading to promotion of adapted strategies in fish exporting developing countries.
234A4	Promotion of Coastal Fisheries Management	B2	To support training of local managers of small-scale artisanal fisheries on successful ways to control and limit access.
234A5	Promotion of Appropriate National/Regional Policies for Sustainable Aquaculture Development	B2	To support national policies for the promotion of commercial aquaculture (distance-learning courses).
241A1	Sustainable Management of Natural Forests and Woodlands	D2	APOs' support to enhance collation, analysis and dissemination of information related to the extent of the forest resources, status and progress toward sustainable forest management in the Mediterranean region; same for coastal zone forestry.

<sup>23</sup> Global Information and Early Warning System

<sup>24</sup> New Partnership for Africa's Development

<sup>25</sup> Global Partnership for Responsible Fisheries

<sup>26</sup> Multilateral trade negotiations

Programme Entity	Entity Title	Strategic Objective	PURPOSE
241A5	Forest Plantations and Trees Outside Forests	various	To support improved plantation and tree planting techniques (including in peri-urban settings).
241A7	Forests and Water	D1	To highlight the importance of upland resources in the wake of the International Year of Mountains.
241P1	Assessment and Monitoring of Forests and Woodland Resources	E2	To assist in the enhancement of the FRA <sup>27</sup> methodology
242A3	Forestry Sector Outlook Studies	E2	To support updated analyses in outlook studies for the forestry sector.
242A4	Economic Aspects of Forests	C2	To support work on valuation techniques in forestry.
243A3	Strengthening National Institutional Capacities	B2	To support national capacity building on institutional dimensions of managing forests sustainably.
243A5	Forests, Poverty Alleviation and Food Security	A1	To enhance understanding of forestry's contributions to poverty alleviation and food security, and support national programmes.
251A1	Integrated Use of Information for Sustainable Development	E1	To assist with maintenance and improvement of integrated environmental information systems and databases.
251P1	Environmental Geo-Information Infrastructure and Services	E1	To support further development and implementation of key information systems and tools, and Poverty Mapping activities.
252A3	Gender and Natural Resources Management	A1	To support the Local Indigenous Knowledge Systems (LinKS) project
252P1	Promotion of Gender and Population in Policies, Legislation and Civil Institutions	A1	To support further the Socioeconomic and Gender Analysis (SEAGA) training programme.
253A4	Participatory Approaches and Methods to Support Sustainable Livelihoods and Food Security	A1	a) APOs to assist in maintaining a participation Web site and with WSSD <sup>28</sup> follow-up; and b) additional funding from DFID to evaluate effectiveness of livelihoods programme at Headquarters and field levels.
256P3	SPFS Implementation	All	To vastly expand SPFS implementation in all interested countries.
311A1	Development of FAO's Capacity to Provide On-line Training in Food, Agriculture and Rural Development Policy and Planning	B2	To enhance capacity building in agricultural trade policies and support the adaptation of training materials to national circumstances.
311P3	Development of Training Materials and Methods in Food and Agriculture Policy Analysis	B1	To support the preparation of training materials on international trade of agricultural products.
313A1	Support to the Development of a Regulatory Framework for Food and Agriculture	B2	Further support beyond current contributions from the Netherlands Partnership Programme (FNPP).
313S1	Provision of Technical Advice	B2	Additional APOs to expand legal technical assistance to countries.

## FURTHER APPLICATION AND REFINEMENT OF THE PROGRAMME MODEL

46. The formulation of substantive activities in the 2004-09 period to respond to the *Strategies to Address Members' Needs*, continued to build on the main features of the enhanced methodology or "programme model", as approved by FAO Governing Bodies, i.e.:

- a) full description of the rationale for proposed activities, the intended outcomes, the outputs to be produced, and the inputs required;

<sup>27</sup> Forest resource assessment

<sup>28</sup> World Summit on Sustainable Development



- b) incorporating inter-disciplinary inputs from various units to address cross-sectoral requirements or problems [cf. following section on *Priority Areas for Inter-disciplinary Action* (PAIAs)]; and
- c) ensuring that all necessary elements are clearly identified to facilitate and support appraisal, evaluation and performance reporting to both management at various levels, and to the Governing Bodies.

47. It is recalled that the model recognises three types of programme entities for the substantive work of FAO: technical projects (TPs), continuing programme activities (CPs) and technical service agreements (TSs), which are summarily defined as follows:

- a) TPs cover a set of actions that can have a duration generally of up to six years; their design should encompass precise, time-bound objectives and benefits to the target users and demonstrate their relevance and contribution to the Organization's strategic objectives;
- b) CPs also include outputs that contribute to the strategic objectives, but they are not of the same time-bound nature as technical projects (e.g. statistical series); and
- c) TSs generally cover the provision of services such as field programme support and technical advice to countries, where individual activities cannot be defined far in advance and may include servicing statutory bodies where the work is in general support of the sector.

48. As per established practice, Headquarters units were required to consult with their outposted staff in Regional and Sub-regional Offices, so that the proposed entities reflect a fully integrated programme of work, with common objectives and major outputs.

49. As for the MTP 2002-07, the results of this formulation effort are reflected in *Part II* of the document, where substantive work is conventionally understood as the sum total of the five major programmes comprising Chapter 2, *Technical and Economic Programmes*, and Major Programme 3.1, *Policy Assistance*, of the Programme of Work and Budget.

### *Search for improvements*

50. The preparation of proposals for inclusion in the MTP 2004-09 was marked by greater efforts to improve the quality and consistency of programme entity formulation. Training courses were held for technical staff to promote more thorough understanding of the application of results-based planning principles. A Web-based and user-friendly computerised system (PIRES) was developed and put in place to serve the analytical process in a more comprehensive manner. This system, in particular, pulled together and made widely available to the staff at large, instructions, internal departmental guidance, regional priorities as identified by Regional and Sub-regional Offices, and baseline information from the MTP 2002-2007.

51. More importantly, changes were introduced to some important conceptual elements of the programming approach, and more firm rules enforced, as explained below.

52. **Changes in programme entity titles, numbers and timeframes:** structural changes (deletion, addition, combination of programme entities, changes in titles, type and numbers) were kept to a minimum, in order to maintain continuity and comparability with the MTP 2002-07. Care was also taken to avoid extensions of end dates of TPs, lest undermining the intended time-bound nature of these entities. Only eight TP extensions were allowed, on the basis of well-documented reasons. A list of all structural changes is provided in Table 5 below, to facilitate understanding of changes in the underlying structure.

53. **Content of technical service agreements (TS):** in addition to addressing their basic purpose as recalled above, the content and resource estimates of TS entities have been improved, e.g. by hosting in a more recognisable manner, work of limited nature in support of PAIAs, small specialist inputs to programme entities in other units, and where not already the case, inputs to major UN and international conferences and processes.

54. **Stronger focus on users of FAO's products and services:** user orientation is clearly a key dimension of results-based management. The success and impact of FAO's programmes are predicated on how well the products and services generated under these programmes, effectively reach and serve the institutions and people they intend to support. Therefore, programme managers were asked to identify as precisely as possible the people and organizations targeted at each conceptual level of definition of entities (rationale, objectives and outcome of major outputs), in order to clarify the dissemination strategy for each output and the whole entity, and to lay the foundation for client-satisfaction surveys in evaluating programme effectiveness.

55. **Clearer distinction between outcomes and objectives:** in the MTP 2002-07, the objectives and outcomes were placed more or less at the same level in the means-end analysis used in the design of entities. The objective(s) was basically seen as a summary of all expected outcomes in a particular entity. This is no longer the case in the present MTP proposals, because a distinction was introduced between the outcomes of major outputs on the one hand, and the programme entity objective on the other, i.e.:

- a) the *Outcome* should specify the immediate use of each major output by someone outside the particular unit producing it (most often outside FAO). It usually corresponds to the first step in an effective dissemination strategy (e.g. training material is taken up by training organizations, general development issues are publicised through specialised media, production techniques are tested in research centres);
- b) the *Objective* is now to be seen as the expected result of all the outcomes of a programme entity and is, therefore, located a step further in the means-end analysis, between the *Outcomes* and the higher order *Rationale*. Usually, it should correspond to a significant change at the country level, in member countries' institutions, policies, programmes or farmers support systems.

56. One of the consequences of this modified approach is that the programme entity objective(s) may be stated in more ambitious terms than in the MTP 2002-07. The intention is to make more evident what would be the ultimate impact of programmes: e.g. changes in the way agricultural development and food security are tackled *at the country level*, beyond the mere use and dissemination of FAO's normative or information products by the most immediate level of FAO "clients".

57. In order not to burden the document with excessive detail, outcome descriptions and indicators for major outputs were not included in *Part II* of the present MTP, which only lists the rationale, objective, objective-level indicators and major outputs of TPs and CPs. Outcome descriptions and indicators at lower level, will be posted on the associated Internet database.

58. **Means of verification and targets now complement indicators:** indicators were defined at both the outcome and objective levels. They are to be *quantitative and qualitative variables* which can be objectively verified (measured or assessed) to determine the extent to which the outcomes or objective(s) are achieved. They are now complemented with *means of verification* and, whenever possible, *target values and dates*. Again, for the sake of brevity, this type of detail is not included in the present document.

59. As a consequence of the distinction between objective(s) and outcomes and of the exclusion of outcome-level information in this document, the indicators shown in *Part II*, while aiming at demonstrating stronger and more significant results, are fewer in number than in the MTP 2002-07, and perhaps more difficult to measure and attribute in a straightforward fashion to FAO's work. However, outcome indicators, relatively easy to measure and attribute, have been formulated and will be included in the Internet database.

### ***Overview of TP and CP changes***

60. In order to facilitate comparison, an overview of changes introduced to the constituent TPs and CPs since the MTP 2002-07, is provided below.

TABLE 5: OVERVIEW OF CHANGES TO TPS AND CPS

Programme Entity	Title		Remarks	Start Year	End Year
	2002-07	2004-09			
211A3	211A3	Integrated Land, Water and Plant Nutrient Management	Integrated Land, Water and Plant Nutrition Policies, Planning and Management	2002	2007
211A3	211A5	Integrated Land, Water and Plant Nutrient Management	Land and Water Quality Improvement	2004	2009
212A7	212A9	Strengthening National Seed Production and Security Systems	Conservation and Sustainable Use of Plant Genetic Resources, including through Biotechnology, and Seed Sector Development	2004	2009
212P4	212P4	Support to the FAO Global System on Plant Genetic Resources for Food and Agriculture (PGRFA)	Technical Support to the International Treaty on Plant Genetic Resources for Food and Agriculture	Continuing	
-	214A9	-	Enhancing Food Quality and Safety by Strengthening Handling, Processing and Marketing in the Food Chain	2004	2009
214A5	214P2	Agriculture Services - Data and Information Systems	Agriculture Services - Data and Information Systems	Continuing	
222A1	220A1	Food Insecurity and Vulnerability Information and Mapping System (FIVIMS)	Food Insecurity and Vulnerability Information for Better Policy Targeting	2004	2009
224A3	220A2	Mid-term Review in 2006 of Progress Towards the WFS Target	Mid-term Review in 2006 of Progress Towards the WFS Target	2004	2006
224A1	220P1	World Food Summit Monitoring and Follow-up	World Food Summit and Millennium Development Goals Monitoring and Action	Continuing	

Programme Entity		Title		Start Year	End Year
2002-07	2004-09	2002-07	2004-09		
221P1 and 221A1	221P1	Food Composition (INFOODS)	Nutrient Requirements and Dietary Assessment for Food Safety and Quality	Continuing	221P1 substantially reformulated combining core work of 221A1 with residual work of the original 221P1; now focuses on linkages of human nutrition requirements and food composition to food safety.
-	221P8	-	Food Safety and Quality throughout the Food Chain	Continuing	New CP, reflecting high-priority domain of Members; to provide focus for inter-disciplinary action with other units, particularly, in AG and FI (related to 214A9).
222A2	222A2	FAO/World Bank/USDA Initiative for Agricultural Statistics in Africa	FAO/World Bank/USDA Initiative for Agricultural Statistics in Africa	2002	2005
222A4	222A4	Systematic Evaluation and Improvement of Statistical Data Quality	Systematic Evaluation and Improvement of Statistical Data Quality	2002	2005
223A1	223A2	Global Perspective Studies	Global Food and Agricultural Perspective Studies	2004	2009
223P5	223P5	Market Assessments and Food Security Reports for Tropical, Horticultural and Raw Material Commodities	Market Assessment of Tropical, Horticultural and Raw Material Commodities and Impact on Food Security	Continuing	New title to better reflect nature of work.
224A2	224A2	Commodity and Trade Policy Support to Developing Countries for Trade Negotiations	Commodity and Trade Policy Support to Developing Countries for Trade Negotiations	2002	2005
224P2	224P2	Contribution of Agriculture to Poverty Alleviation, Rural Development and Food Security	Agriculture, Poverty Alleviation, Rural Development and Food Security: Analysis of Linkages	Continuing	Title and content sharpened in line with emerging priorities.
224P4	224P4	International Action on Commodity and Trade Issues	Analysis and Consensus-Building on Emerging Commodity and Trade Issues	Continuing	Title change and reduced resources with shift, together with corresponding outputs, to 224A2/224A4.
224P5	224P5	Measures to Enhance Commodity and Trade Development	Enhancing Competitiveness and Diversification of Agricultural Commodities	Continuing	Title and content sharpened in line with emerging priorities.

Programme Entity		Title		Remarks	Start Year	End Year
2002-07	2004-09	2002-07	2004-09			
231A1	231A2	Development of the Fisheries Global Information System (FIGIS)	Development of Partnerships for the Fisheries Resources Monitoring System (FIRMS) of FIGIS	231A1 ends as scheduled in 2003; 231A2 successor from 2004.	2004	2009
-	241A7	-	Forests and Water	New TP; some work transferred from 242A1.	2004	2009
-	241A8	-	Forests and Climate Change	New TP beginning in 2004.	2004	2009
243A1	242A3	Forestry Sector Outlook Studies	Forestry Sector Outlook Studies	Work transferred from 243A1; 6 MOs.	2004	2009
-	242A4	-	Economic Aspects of Forests	New TP; work transferred from 243P2.	2004	2009
242P1	242P1	Forest Products Information	Forest Products Information	MO decrease.	Continuing	
242P2 and 242A1	242P2	Appropriate Utilisation of Forest Products	Appropriate Utilisation of Forest Products	Work transferred from 242A1.	Continuing	
243A3	243A3	Strengthening of Institutional Capacities at Country Level	Strengthening National Institutional Capacities	Title change.	2002	2007
243P1 and 243P2	243A4	Formulation of National Forestry Programmes	Forest Policies and Governance	Work transferred from 243P1, which was set to end in 2003.	2004	2009
-	243A5	-	Forests, Poverty Alleviation, and Food Security	New TP beginning 2004; high priority area.	2004	2009
243P4	243P4	Participatory Forestry	Participatory Forestry and Sustainable Livelihoods	Title change.	Continuing	
244A1	244A1	Follow up to UNCED and International Forestry Processes	International Forestry Processes	Title change.	2002	2007
251A5	251A5	National Agricultural Research System (NARS) Secretariat of the Global Forum on Agricultural Research (GFAR)	Secretariat of the Global Forum on Agricultural Research (GFAR)	Title change; MO increase.	2002	2007
-	252A4	-	Analysis and Mitigation of the Impact of HIV/AIDS on Food Security and Rural Development	New TP from 2004.	2004	2007
252P1 and 252A2	252P1	Promotion of Gender and Population in Policies, Legislation and Civil Institutions	Promotion of Gender and Population in Policies, Legislation and Civil Institutions	Includes work transferred from cancelled 252A2.	Continuing	