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Food and Agriculture
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Продовольственная и
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Объединенных Наций

Organización de las
Naciones Unidas para la
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COUNCIL

Hundred and Sixty-fifth Session

30 November - 4 December 2020

Report of the Joint Meeting of the 129th Session of the Programme Committee and 183rd Session of the Finance Committee (9 and 13 November 2020)

Executive Summary

The Joint Meeting of the Programme and Finance Committees brings to the attention of the Council its findings and recommendations on:

- a) Outline of the Strategic Framework and Outline of the Medium Term Plan 2022-25;
- b) FAO's New Strategy for Private Sector Engagement;
- c) Update on the Technical Cooperation Programme;
- d) FAO's response to the COVID-19: Building to transform;
- e) Working Methods of the Conference;
- f) Use of unspent balances of biennial appropriations; and
- g) Establishment of the COAG Sub-Committee on Livestock.

Suggested action by the Council

The Council is requested to endorse the findings and recommendations of the Joint Meeting.

Queries on the content of this document may be addressed to:

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Introductory Items

1. The Joint Meeting submitted its Report to the Council.
2. In addition to the Chairperson, H.E. Hans Hoogeveen (Netherlands) and Ms Imelda Smolčić Nijers (Uruguay), the Chairperson of the Finance Committee, the following representatives of Members were present:

H.E. Carlos Bernardo Cherniak (Argentina)	Mr Laith Obeidat (Jordan) ⁴
Ms Lynda Hayden (Australia)	Mr Muhammad Rudy Khairudin Mohd Nor (Malaysia)
Mr Manash Mitra (Bangladesh) ¹	Ms Traoré Halimatou Kone (Mali)
Mr Rodrigo Estrela de Carvalho (Brazil)	Mr Benito Santiago Jiménez Sauma (Mexico)
Ms Jennifer Fellows (Canada)	Mr Donald G. Syme (New Zealand)
Ms Tamara Villanueva (Chile)	Ms Tahirou Rahila Rabiou (Niger)
Mr NI Hongxing (China)	Mr Denis Cherednichenko (Russian Federation) ⁵
Mr Haitham Abdelhady Elsayed Elshahat (Egypt)	Mr Sid Ahmed M. Alamain Hamid Alamain (Sudan)
Mr Addisu Melkamu Kebede (Ethiopia) ²	H.E. Marie-Therese Sarch (United Kingdom)
H.E. Céline Jurgensen (France) ³	Ms Jennifer Harhigh (United States of America)
Mr Heiner Thofern (Germany)	Mr Kayoya Masuhwa (Zambia) ⁶
Mr Shahin Ghorashizadeh (Islamic Republic of Iran)	
Mr Toru Hisazome (Japan)	

3. The Joint Meeting thanked the Director-General for his comprehensive statement and appreciated his leadership of the Organization in these very unprecedented times of the COVID-19 crisis.

I. Adoption of the Provisional Agenda

4. The Joint Meeting Session was convened virtually on an exceptional basis due to the COVID-19 pandemic.
5. The Joint Meeting confirmed, pursuant to Rule VII of the rules of procedure of the Programme Committee (PC) and Finance Committee (PC), respectively, that they agreed to the suspension of Rule II (5) of the PC rules of procedure and Rule II (4) of the rules of procedure of the FC, which require that sessions shall be held at the seat of the Organization.
6. The Chairperson informed Members that, should technical connection fail, the meeting would be suspended if the quorum was not reached.
7. The Joint Meeting adopted its Agenda with the amendment requested by Mali to address *Item 8 - Establishment of the COAG Sub-Committee on Livestock*, as an item for discussion.

II. Outline of the Strategic Framework (2022-2031) and Outline of the Medium Term Plan 2022-25

8. The Joint Meeting:
 - a) welcomed the inclusive and transparent consultation process with Members to date in the development of the new Strategic Framework;
 - b) took note of the global trends and challenges identified, as a basis for reviewing the Strategic Framework;

¹ Mr Manash Mitra had informed that he was unable to attend the session.

² Mr Addisu Melkamu Kebede was designated to replace H.E. (Ms) Zenebu Tadesse Woldetsadik (Ethiopia).

³ H.E. (Ms) Céline Jurgensen was designated to replace H.E. (Ms) Delphine Borione.

⁴ Mr Laith Obeidat was designated to replace H.E. (Mr) Fayez Khouri.

⁵ Mr Denis Cherednichenko was designated to replace Mr Vladimir V. Kuznetsov.

⁶ Mr Kayoya Masuhwa had informed that he was unable to attend the Session.

- c) noted with appreciation that the 2030 Agenda and the Sustainable Development Goals (SDGs) are at the center of the new Strategic Framework and welcomed that this allowed FAO to use a common language to articulate its mandated targets and respective results achieved across all Organizational levels;
- d) appreciated the overarching aspirations of the “four betters”, i.e. *better production, better nutrition, a better environment and a better life* and the guiding lens of SDGs 1 and 2, the renewed commitment with SDG10, and the emphasis on the importance and interconnectedness of all SDGs in FAO’s work, including SDG12 and SDG14, to support achievement of the FAO’s three Global Goals of Members;
- e) requested that the next version of the Strategic Framework include further analysis of FAO’s business model, different sources of funding and how these will be reported on;
- f) noted that the Strategic Framework builds on the momentum and the harmonized transformations already taking place in the Organization, including structural reforms at headquarters, various initiatives including the Hand-in-Hand Initiative, and the programmatic approach showcased by the COVID-19 Response and Recovery Programme;
- g) welcomed the application of four cross-cutting/cross-sectoral accelerators in programme interventions, i.e., technology, innovation, data, and complements (governance, human capital and institutions), to maximize efforts in meeting the SDGs and to facilitate the management of trade-offs, stressing the importance of continued work between the Organization and Governments;
- h) stressed the centrality of the three dimensions of sustainable development (economic, social and environmental), and highlighted important issues such as the One Health approach, and the role of trade and market access;
- i) stressed the need to duly consider in an independent and neutral, balanced, science- and evidence- based manner, all the available approaches systems and tools to support Members in achievement of sustainable food systems;
- j) recognized the UN Food Systems Summit 2021 and its expected outcomes, if agreed by Members, could support the achievement of the 2030 Agenda and its SDGs, especially SDG2, and should be considered by Members, as appropriate, through the Governing Bodies;
- k) welcomed the emphasis on strengthening partnerships with independence, neutrality and transparency, including with Members, UN agencies, financial institutions, the private sector, producer organizations, academic and research institutions including the scientific community and civil society;
- l) noted increasing global challenges such as the COVID-19 pandemic and other emergencies such as the desert locust outbreaks and climate change, and urged the development of a Framework that is agile, flexible and responsive in preventing and mitigating effects of known and unknown future challenges on agricultural and food systems;
- m) underlined the need for alignment with the repositioning of the UN development system (UNDS), including the role of the Resident Coordinators and requested a better integration of the UNDS repositioning into the Strategic Framework;
- n) highlighted the importance of collaboration with the Rome-based Agencies (RBAs), the Committee on World Food Security (CFS), and relevant stakeholders, and instruments such as South-South and Triangular Cooperation;
- o) underscored the importance of youth and women, in particular rural and indigenous women, together with smallholders and family farmers, as key stakeholders for the future of food and agriculture and sustainable food systems;
- p) emphasized scientific and evidence-based normative work of FAO as one of its main comparative advantages and welcomed Management’s efforts to strengthen and increase the visibility of normative work and standard-setting support in the Strategic Framework;
- q) recalled the Council’s decision CL 164/REP para 15 g): “recognized the crucial role of FAO’s normative and technical work, and requested FAO use multilaterally-agreed concepts and science- and evidence-based linkages in flagship publications”;

- r) underlined the importance of innovation and digitalization and in this respect requested more information on the management and protection of data collection, and intellectual property rights, and stressed the need to develop cross-cutting data policy;
- s) stressed the central role of all forms of innovations;
- t) recalled the Council’s decision CL 164/REP para 15 k): “welcomed FAO’s attention towards achieving sustainable food systems and as such, recalled that transformation of food systems should be encouraged in a coherent manner, as appropriate and according to, and dependent on, national contexts and capacities”;
- u) reiterated the need for sustainable food systems and highlighted the importance of the Framework enabling substantive support to Members in their implementation efforts through appropriate transitional mechanisms, including technology transfer, capacity building and financial resources, while stressing the importance of the conclusions of the Regional Conferences and Technical Committees, especially the priorities reflected in the their reports, for the development of the Strategic Framework, and referred to para 12 of the 2030 Agenda⁷;
- v) stressed the need for adequate resources for the implementation of the Strategic Framework, including knowledge sharing, technology transfer, capacity building and innovative financial mechanisms such as debt swaps;
- w) underlined the importance of multilingualism, using all six FAO languages to timely deliver the Organization’s products with no detriment to their quality and volume both at Headquarters and Decentralized Offices; and
- x) looked forward to further development of the Programme Priority Areas and results framework in consultation with FAO Members as well as further elaboration of the cross-cutting areas, core functions, and means of implementation; endorsed the overall approach for the development of the Strategic Framework, and reiterated its strong interest in the further elaboration along with formal and informal Member-driven consultations.

III. FAO’s New Strategy for Private Sector Engagement

9. The Joint Meeting:

- a) welcomed the revised draft for a new FAO’s Strategy for Private Sector Engagement and commended the extensive and inclusive consultations that had been conducted with Members, as well as those with the private sector and other stakeholders;
- b) welcomed a more agile and proactive process to engage with the private sector, and the importance of building trust with the private sector;
- c) underlined the importance of the principles for engagement as drivers for the implementation of the Strategy;
- d) stressed the importance of maintaining FAO’s impartiality, integrity and reputation;
- e) emphasized the importance of due diligence mechanisms and risk management to avoid potential conflicts of interest, specifically in but not limited to FAO’s work on policies, norms and standard setting; requested the need for the full alignment of the Strategy with the UN Global Compact; and requested the due diligence mechanisms and rules to be updated and annexed to the Strategy once it is finalized and to be periodically reviewed by the relevant Governing Bodies;
- f) underlined the importance of tailored action and capacity building, especially at decentralized offices;
- g) underlined the importance of sequencing the draft Strategy with the Outline of the Strategic Framework as one of the catalyzers and an umbrella framework to support FAO to achieve the goals of the new Strategic Framework, and urged that the Vision statement remain aligned with the outline and further development of the new Strategic Framework;
- h) requested FAO to encourage private sector partners to consider to adopt Committee on World Food Security (CFS) policy instruments, given their voluntary nature;

⁷ We reaffirm all the principles of the Rio Declaration on Environment and Development, including, *inter alia*, the principle of common but differentiated responsibilities, as set out in principle 7 thereof.

- i) requested to change the name of priority partnership area “Eradicating rural poverty” to “Promoting rural development and eradicating rural poverty”;
- j) stressed that the new Strategy should place great emphasis on ensuring engagement with a balanced, broad and geographically diverse range of private sector actors, with significant emphasis on micro, small and medium-sized enterprises (MSMEs) both in the proposed informal Private Sector Advisory Group (PSAG) and for operational engagement;
- k) requested that Members be informed on the establishment as well as the composition of the informal PSAG, including information on its size, rotation and observers, through its regular report to Governing Bodies;
- l) welcomed Management’s commitment to increase transparency, and stressed the need that all partnership documents, including its Memorandum of Understanding (MoU), Letters of Intent or other forms of agreements be accessible through the Connect Portal, and requested Management to provide a list of current partnerships prior to the 165th Session of the Council;
- m) requested FAO to conduct a review of the current partnership agreements including their related documents, in light of the new Strategy and to report to Members on its conclusions and proposed actions;
- n) noted that there is no additional budgetary implication in 2021 and that no core budget resources will be transferred to private sector entities, requested further information on the costs and benefits of the private sector Strategy, stressing the need to avoid additional budgetary implication, and requested the further analysis of FAO’s business model, different funding sources and how these will be reported on in the future version;
- o) noting that the Strategy is a living document which may be further improved and adjusted during the course of implementation, requested FAO to provide Members with an annual report on its implementation;
- p) welcomed the inclusion of regular reporting on the progress of the Strategy implementation and partnerships through the Programme Committee as outlined in the Strategy, and requested a thorough evaluation of the first year of implementation;
- q) recognized the living nature of the Strategy, welcomed the confirmation of Management to incorporate the comments and suggestions of the Joint Meeting and requested an update during the upcoming session of the Council; and
- r) recommended its adoption at the 165th Session of the Council.

IV. Update on the Technical Cooperation Programme

10. The Joint Meeting:

- a) welcomed the efforts made to improve transparency, communication and reporting on Technical Cooperation Programme (TCP) implementation, and stressed the importance of TCP appropriation in achieving the Sustainable Development Goals (SDGs);
- b) while noting that there was a decline in the expenditure rate due to a slowdown of project activities associated with the COVID-19 crisis, welcomed the confirmation of Management that the target of 100 percent delivery of TCP projects against the 2018-19 appropriation be achieved by the end of 2021;
- c) underlined the importance of ensuring the full utilization of TCP resources and improving efficiency, and welcomed the proactive efforts to re-programme savings resulting from COVID-19 related restrictions;
- d) acknowledged the special needs of low income, conflict affected and food deficit countries, and reiterated the continued needs of all developing countries, exacerbated by the COVID-19 pandemic;
- e) encouraged the Organization to pursue its efforts to re-imagine the TCP in the context of the follow-up to the TCP Evaluation and Audit with the aim of improving the leverage of TCP as a catalytic fund in alignment with the SDGs and to attract additional extrabudgetary funding;
- f) noted the need to review the percentages of distribution of TCP among regions, according to the 2008 Special Session of the FAO Conference para 35, measure 3.23⁸, and

⁸ <http://www.fao.org/tempref/docrep/fao/meeting/014/k3413e.pdf>

recommended the Joint Meeting of the Programme and Finance Committees to review the issue at its next session;

- g) recalled that the 164th Session of the Council requested that FAO updated information including criteria for project resource allocation on the ground, for review by the Joint Meeting, and noted that this was outstanding; and requested FAO to begin a strategic exercise, in consultation with Members, with the aim to refine, and possibly unify, the criteria of resource allocation, beyond the traditional one of per capita income, and taking into account the specific needs of each region; and
- h) noted the approaches adopted by Regional Offices for TCP resource distribution and reaffirmed the decentralization of the authority to manage allocations in full compliance with the TCP criteria and related corporate obligations.

V. FAO's response to COVID-19: Building to Transform

11. The Joint Meeting:

- a) characterized the pandemic and associated impacts as unprecedented and among the worst global crises in recent years;
- b) acknowledged the progress made by FAO in response to COVID-19, appreciated the work of FAO on early warning, collection of data and information for decision-making, policy recommendations provided to address the challenges posed by the pandemic, as well as its strong role in facilitating global cooperation and joint actions among diverse partners and stakeholders;
- c) commended FAO for the establishment of the FAO Response and Recovery Programme, with both short- and long-term focus on seven priority areas of work, noted the crucial bottom-up process to identify the priorities and needs at country level, and emphasized, in particular, strengthening the One Health approach, the use of Data for Decision-making, ensuring an open, rule-based, non-discriminatory and predictable international trade, and integration of the Humanitarian Response;
- d) called for analysis and assessment of where and why efforts had been most successful or most challenged so that efforts to build back better could be better focused to enhance resilience while also contributing to an accelerated recovery;
- e) acknowledged the importance of a global coordinated action to prevent the current health crisis from becoming a food crisis;
- f) noted the official launch of the Food Coalition in response to challenges posed by COVID-19 and the online hub of the Food Coalition, which provided information and data on the country needs and demands;
- g) encouraged FAO to enhance measures and actions, including but not limited to, linkages to the Hand-in-Hand Initiative that would address the impact of the pandemic, in particular to assist countries to strengthen their resilience and build back better; and
- h) requested information with regard to the resources mobilized (voluntary contributions and Technical Cooperation Programme) for COVID-19 response, as well as regular updates on the impact of COVID-19 and the risks it poses to FAO's operations, and recommended efforts to strengthen internal control mechanisms, as undertaken by the World Food Programme.

VI. Working Methods of the Conference

12. The Joint Meeting:

- a) recalled the guidance from the 162nd Session of the Council on potential improvements to the working methods of the Conference, and appreciated the work undertaken in this regard by the Independent Chairperson of the Council through his informal meetings with the Chairpersons and Vice-Chairpersons of the Regional Groups;
- b) recommended the Council consider for endorsement the proposals developed by Members accordingly to:
 - i. introduce, on a voluntary basis, the option for delegations to deliver keynote Statements under the General Debate of the Conference in digital form;

- ii. schedule meetings of Commission I and Commission II of the Conference consecutively, to the extent possible;
 - iii. introduce informal Round Table events at the Conference to foster senior or high level official action-oriented dialogue, which could be facilitated by external moderators;
 - iv. maintain the current practice of time restrictions instead of words restrictions, as stipulated in the document *Arrangements for the 41st Session of the Conference* C 2019/12 Rev.1; and
 - v. convene informal meetings of the General Committee prior to the opening of the Conference to undertake preparatory work, noting that such preparatory work would not constitute formal decisions and recommendations of the General Committee until its membership is elected by the Conference.
- c) requested that the informal consultations of the Independent Chairperson of the Council on the code of conduct for the election of the Director-General be expeditiously concluded in order to allow the FAO Conference at its 42nd Session in 2021 to take a decision on the issue.

VII. Use of unspent balances of biennial appropriations

13. The Joint Meeting:

- a) noted the information addressing technical and policy aspects of the use of unspent balances of biennial appropriations;
- b) reiterated the need to adhere to Financial Regulations, in particular Financial Regulation 4.2 which provides that unobligated appropriations at the end of the financial period shall be cancelled;
- c) concurred with the Committee on Constitutional and Legal Matters (CCLM) that the Conference had the authority to make exceptions to Financial Regulations and that these should be limited and made in accordance with a clear, well-defined and transparent process;
- d) noted that Financial Regulation 6.1. (b) allows for the allocation among Members of any cash surplus at the end of a financial period;
- e) further noted practice of UN New York in relation to unspent balances;
- f) noted also that in the absence of the authority to use the unspent balance of a biennial appropriation during a subsequent financial period, the consistent practice of the Organization had been that the unspent balance was effectively absorbed by the significant accumulated deficit in the General Fund;
- g) noted as well the procedure outlined in *Annex I*, endorsed by CCLM in October 2019 for a derogation of the Financial Regulations authorizing the use of the unspent balance;
- h) recalled that in recent biennia unspent balances were generally of low value (less than 0.5% of the biennial appropriation) and considered that the handling of these funds should not create excessive administrative burden; and
- i) recommended that the Council advise the Conference to suspend Financial Regulations only in exceptional cases.

VIII. Proposal for the establishment of the Sub-Committee on Livestock

14. The Joint Meeting:

- a) endorsed the proposal for the establishment of the Sub-Committee on Livestock (Sub-Committee) and invited the Council and the Conference at their forthcoming sessions to endorse the Sub-Committee as an intergovernmental forum with the mandate to discuss and build consensus on issues and priorities related to the livestock sector, and advise the Committee of Agriculture (COAG), and through it, the Council and the Conference, on technical and policy programmes and activities required to optimize the contribution of the livestock sector to the achievement of the 2030 Agenda;
- b) welcomed the Terms of Reference and Rules of Procedure of the Sub-Committee, as adopted by COAG at its 27th Session, as well as of the recommendation by COAG to

- hold, subject to the availability of extrabudgetary resources, the first session of the Sub-Committee during the first quarter of 2022, prior to its 28th Session;
- c) called for the Sub-Committee to focus on building a balanced narrative on livestock, *inter alia*, in terms of its contribution to food security, nutrition, carbon sequestration and other trade-offs;
 - d) requested more information about FAO's work under the FAO-OIE-WHO Tripartite Memorandum of Understanding and oversight of it;
 - e) underlined the importance of the One Health approach and recalled the Resolutions on AMR; and
 - f) called for adequate extrabudgetary support for sessions of the Sub-Committee.

IX. Progress Report on Rome-based Agencies Collaboration (Item for information)

15. The Joint Meeting:
- a) welcomed the new evidence-based and analytical Progress Report and thanked Management and the three Rome-based Agencies (RBAs) for the update provided on the ongoing collaboration at all levels and the impacts on the ground;
 - b) welcomed the RBA's Action plan on Sahel and requested a more active participation of FAO in this Action plan; and encouraged FAO to consider reducing or absorbing, to the extent possible, direct and indirect costs of support of joint programmes in accordance with the Financial Regulations;
 - c) urged further progress on feasibility of integration of administrative functions and common specialized expertise while noting with concern that the time-bound request of the Council for a feasibility study in this respect was not available yet, and urged this study be finalized as soon as possible; and
 - d) encouraged the RBAs to reinforce and strengthen collaboration in the preparatory work for the UN Food Systems Summit 2021.

X. Annual Report on Corporate Policy, Processes and Measures on the Prevention of Harassment, Sexual Harassment and Authority Abuse, including results of the staff satisfaction survey (Item for information)

16. The Joint Meeting:
- a) welcomed the updates and information provided in the Annual Report on Corporate Policy, processes and measures on the prevention of harassment, sexual harassment and authority abuse, and the Prevention of Sexual Exploitation and Abuse (PSEA) and Prevention of Sexual Harassment (PSH) Action Plans for 2021; and
 - b) appreciated the provision of further clarifications on the Ethics Office website and communication channels for creating enhanced awareness of relevant information, the use of SEA surveys and confirmation from Management that FAO will participate in the UN Clear Check database by the end of the year.

Annex 1 - Proposal for use of unspent balances of biennial appropriations⁹

1. The CCLM considered document CCLM 109/3 “*Proposal for use of unspent balance of biennial appropriations*”. Following presentations by the Legal Counsel and the Director of the Office of Strategy, Planning and Resources Management (OSP), the Committee deliberated on the legal and constitutional aspects of this matter, bearing in mind that it would also be the subject of consideration by the forthcoming Joint Meeting of the Programme and Finance Committees for policy comments, especially on the use of the carryover of unspent funds.
2. The CCLM reaffirmed the importance of Financial Regulation 4.2 which states the Organization’s policy regarding unobligated appropriations at the end of the financial period.
3. It recommended that the Conference consider using the following language in anticipation of unspent balances of budgetary appropriations, either in the appropriations resolution or in its report:
“The Conference authorises the Director-General, notwithstanding Financial Regulation 4.2, to submit a proposal for one-time use of unspent balances of the [current biennium] appropriations for approval by the Joint Meeting of the Programme and Finance Committees, and the Council at their respective meetings in [dates for first sessions in the subsequent biennium]”.
4. The CCLM agreed that, subject to the review and adjustments by the Joint Meeting of the Programme and Finance Committees and the Council, the following approval procedure be recommended to the Conference for adoption:
 - a) Following closure of the accounts, the Secretariat prepares information regarding the balance of unspent funds in the previous biennium and the proposed uses of those funds.
 - b) The proposed uses of the carryover of unspent balances would be for specific one-time, high priority organization-wide matters, and would generally fall in the following categories:
 - one-time expenditures on critical measures required to achieve greater efficiency and effectiveness of the Organization, without negatively impacting FAO’s ability to deliver the approved programme of work;
 - one-time expenditures associated with transformational change of the Organization; including strengthening accountability, governance and impacts of activities;
 - non-budgeted expenditures of a one-time nature required as a result of the decisions or recommendations of external bodies such as the UN General Assembly.
 - c) The proposal for use of unspent funds would be referred to the Joint Meeting based on input derived from the Annual Report on Budgetary Performance and Budgetary Transfers (ARBP) which is submitted to the Finance Committee for approval as a standing item at its first session of the new biennium.
 - d) The Council approves the proposed use of carryover funds, based on recommendations from the Joint Meeting.
 - e) The Secretariat implements the Council’s guidance and reports on the use of carryover funds, in line with the established reporting practice and rules.
5. The CCLM further recalled that, if there is no approval by the Council, the unobligated appropriations at the close of the financial period shall be cancelled and the unspent balance would revert to the General Fund.

⁹ cf. CL 163/2, *Section IV*