

CL 168/3 Annex 2: Extract of the Report of the 42nd Session of the Conference (14-18 June 2021) concerning decisions and guidance on the Strategic Framework 2022-31 and Medium Term Plan 2022-25 and Programme of Work and Budget 2022-23

Strategic Framework 2022-31¹

61. The Conference welcomed the Strategic Framework 2022-31 and its strategic narrative of supporting the transformation, that should be encouraged in a coherent manner, as appropriate, in accordance with, and dependent on national contexts and capacities, to achieve MORE efficient, inclusive, resilient and sustainable agri-food systems for *better production, better nutrition, a better environment, and a better life*, leaving no one behind, to support the achievement of the 2030 Agenda and FAO's three Global Goals of Members, while recognizing that the *four betters* identified in the Strategic Framework should be seen and addressed through a food systems approach, with a balance of the social, environmental and economic dimensions of sustainable development and within the framework of FAO's mandate.
62. The Conference recalled that the Strategic Framework represented the outcome of an extensive, inclusive and transparent consultation process, including reflection of the guidance and priorities from the 165th Session of the Council, Regional Conferences and Technical Committees.
63. The Conference endorsed the recommendations of the 166th Session of the Council on the Strategic Framework 2022-31.
64. The Conference:
- a) welcomed that the Strategic Framework 2022-31 builds on the momentum and harmonized transformations already taking place in the Organization, including increased efficiency, streamlining, and innovative approaches; a modular and flexible organizational structure; and initiatives such as the Hand-in-Hand Initiative and the COVID-19 Response and Recovery Programme;
 - b) appreciated that the Strategic Framework aligns itself with the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs) with the guiding lens of SDGs 1, 2 and 10 and requested stronger linkages between the SDGs and the *four betters*;
 - c) highlighted the importance of a balance between the three pillars of sustainable development (economic, social and environmental) throughout the Strategic Framework;
 - d) supported the four cross-cutting/cross-sectional "accelerators": i) technology, ii) innovation, iii) data, and iv) complements (governance, human capital, and institutions);
 - e) welcomed FAO's cross-cutting themes of gender equality, youth, and inclusion and recognized their role in achieving the 2030 Agenda and leaving no one behind;
 - f) welcomed the twenty Programme Priority Areas (PPAs), formulated as inter-disciplinary, issue-based technical themes, to guide the programmes that FAO would implement under the *four betters*;
 - g) welcomed that the Strategic Framework, which is anchored in the SDGs, allows FAO to articulate its mandated targets and respective results in alignment with the goals of the UN development system at country level and with partners;
 - h) underlined the importance of all forms of innovation, taking into account proper science-based risk analysis, as appropriate, including digitalization, while ensuring protection of data privacy and intellectual property rights, as a driving force in agriculture, environment, commodities and food trade, and food security and nutrition;
 - i) highlighted the importance of global food supply chains and open, non-discriminatory, predictable and rules-based multilateral trading system under the World Trade Organization (WTO), and taking into account the mandate of FAO in this respect;

¹ C 2021/7; C 2021/LIM/4; C 2021/II/PV/1; C 2021/II/PV/2; C 2021/PV/9

Documents can be consulted at www.fao.org

- j) reaffirmed the strategic and catalytic importance of the Technical Cooperation Programme (TCP) and other technical work of FAO, in the efforts for the achievement of the 2030 Agenda and its SDGs;
- k) suggested that FAO supports the Members in sharing their development experiences with countries in need, including through the Hand-in-Hand Initiative;
- l) reiterated the important role of scientific and evidence-based normative work of FAO and welcomed the increased visibility of the Organization's normative work, and its support to the standard setting work of Codex Alimentarius and the International Plant Protection Convention (IPPC) in the Strategic Framework;
- m) highlighted the importance of climate change and biodiversity within FAO's mandate in the Strategic Framework;
- n) highlighted the importance of the One Health approach, the Tripartite Partnership and the cooperation with the United Nations Environment Programme (UNEP) and other relevant international organizations, in line with their respective mandates in this regard;
- o) stressed the importance of partnerships in the implementation of the Strategic Framework, including with relevant UN agencies and programmes, financial institutions, the private sector, as well as by means of instruments such as South-South and Triangular Cooperation;
- p) underlined the need for alignment with the repositioning of the UN development system and recommended the inclusion of FAO's Country Programming Frameworks in the strategic results framework;
- q) stressed the need for FAO to use multilaterally-agreed concepts, approaches and language and give preference to those adopted by FAO Governing Bodies;
- r) also stressed the need that updates reflect the recommendations of the 166th Session of the Council and Members' guidance through the Governing Bodies on the use of specific terminology as included in document C 2021/LIM/4 Section II developed to address concerns about the inclusion of non-multilaterally agreed terminology in the Strategic Framework; and
- s) endorsed the Strategic Framework 2022-31.

Medium Term Plan 2022-25 and Programme of Work and Budget 2022-23²

65. The Conference considered the Medium Term Plan (MTP) 2022-25 and the Programme of Work and Budget (PWB) 2022-23, Information Note 1 and Web Annex 10, and the observations and recommendations of the Council reflected in document C 2021/LIM/4.

66. The Conference welcomed the reflection of the strategic direction in the MTP and PWB, with its focus on supporting the achievement of the 2030 Agenda for Sustainable Development through the transformation to MORE efficient, inclusive, resilient and sustainable agri-food systems for *better production, better nutrition, a better environment* and a *better life*, leaving no one behind.

67. The Conference appreciated the proposed flat nominal budget level with no change in the level of assessed contributions and net budgetary appropriation compared with 2020-21, and commended the efforts of the Director-General in this regard in the context of the prevailing global economic crisis.

68. Regarding the substance of the proposals in the MTP/PWB, the Conference:

- a) welcomed the anchoring of the Programme Priority Areas (PPAs) in the 2030 Agenda and appreciated the articulation of both primary and secondary PPA contributions to the Sustainable Development Goals (SDGs), recognizing the interconnected nature of the SDGs and the *four betters*;
- b) highlighted the importance of the balance between the three pillars of sustainable development (economic, social and environmental) throughout the PWB, including through the number of PPAs and allocation of budget between the *four betters*;
- c) supported the resource reallocations set out in paragraph 59 of document C 2021/3 to strengthen priorities within a flat nominal budget level;
- d) appreciated the important role of scientific and evidence-based normative and standard-setting work of FAO and welcomed the maintenance of the increased level of funding from 2020-21 for the International Plant Protection Convention (IPPC), the Joint FAO/World Health Organization (WHO)

² C 2021/3; C 2021/3 Information Note 1; C 2021/3 Web Annex 10; C 2021/LIM/4; C 2021/II/PV/2; C 2021/PV/9

food safety scientific advice programme and the Joint Centre between FAO and the International Atomic Energy Agency (IAEA);

- e) reaffirmed the strategic and catalytic importance of the Technical Cooperation Programme (TCP) and appreciated maintenance of TCP resources at 14 percent of the net budgetary appropriation;
- f) supported the change of name of the Fisheries Division to the Fisheries and Aquaculture Division;
- g) stressed the need for FAO to use multilaterally-agreed concepts, approaches and language and give preference to those adopted by FAO Governing Bodies;
- h) noted that adjustments in resource allocations and results frameworks arising from decisions and guidance of the Conference and the more detailed work planning process would be reported in the Adjustments to the PWB 2022-23 for consideration by the Council in December 2021;
- i) stressed the importance of flexible, lightly earmarked and unearmarked voluntary funding to support the priorities as outlined in the integrated programme of work, and recommended FAO further elaborate possible mechanisms and approaches to attract more flexible voluntary funding; and
- j) encouraged to continue to mobilize resources for the Africa Solidarity Trust Fund.

69. Concerning the longer-term financial health of the Organization, the Conference deferred to future biennia the consideration of replenishment of the Working Capital Fund, as well as incremental funding of the After-Service Medical Coverage past service liability and requested the FAO Management to continue to explore alternative strategies to address these requirements.

70. The Conference adopted the following Resolution as recommended by the Council.

Resolution 8/2021
Budgetary Appropriations 2022-23

THE CONFERENCE,

Having considered the Director-General's Programme of Work and Budget;

Having considered the proposed total net appropriation of USD 1 005 635 000 for the financial period 2022-23 at the 2020-21 rate of EUR 1 = USD 1.22, which assumes US dollar and Euro expenditure equal to USD 546 399 000 and EUR 376 423 000;

Having considered that the above net appropriation remains equivalent to USD 1 005 635 000 at the same budget rate of EUR 1 = USD 1.22 established for 2022-23 after translation of the EUR portion;

1. **Approves** the Programme of Work proposed by the Director-General for 2022-23 as follows:

a) Appropriations are voted at a rate of EUR 1 = USD 1.22 for the following purposes:

	USD
Chapter 1: Better Production	157 559 000
Chapter 2: Better Nutrition	131 597 000
Chapter 3: Better Environment	97 187 000
Chapter 4: Better Life	142 176 000
Chapter 5: Technical quality, statistics, cross-cutting themes and accelerators	70 312 000
Chapter 6: Technical Cooperation Programme	140 788 000
Chapter 7: Outreach	71 348 000
Chapter 8: Information and Communications Technology (ICT)	35 696 000
Chapter 9: FAO governance, oversight and direction	59 398 000
Chapter 10: Efficient and effective administration	62 553 000
Chapter 11: Contingencies	600 000
Chapter 12: Capital Expenditure	14 000 000
Chapter 13: Security Expenditure	22 421 000
Total Appropriation (Net)	1 005 635 000
Chapter 14: Transfer to Tax Equalization Fund	117 422 000
Total Appropriation (Gross)	1 123 057 000

b) The appropriations (net) voted in paragraph (a) above minus estimated Miscellaneous Income in the amount of USD 5 000 000 shall be financed by assessed contributions from Member Nations of USD 1 000 635 000 to implement the Programme of Work. Such contributions shall be established in US dollars and Euro and shall consist of USD 541 399 000 and EUR 376 423 000. This takes into account a split of 54% US dollars and 46% Euro for the appropriations (net) and of 100% US dollars for Miscellaneous Income.

c) The total contributions due from Member Nations to implement the approved Programme of Work shall amount to USD 541 399 000 and EUR 376 423 000. Such contributions due from Member Nations in 2022 and 2023 shall be paid in accordance with the scale of contributions adopted by the Conference at its Forty-Second Session.

d) In establishing the actual amounts of contributions to be paid by individual Member Nations, a further amount shall be charged through the Tax Equalization Fund for any Member Nation that levies taxes on the salaries, emoluments and indemnities received by staff members from FAO and which are reimbursed to the staff members by the Organization. An estimate of USD 8 000 000 has been foreseen for this purpose.

2. **Encourages** Members to provide voluntary contributions in support of the implementation of the Strategic Framework through the integrated Programme of Work.

Adopted on 18 June 2021