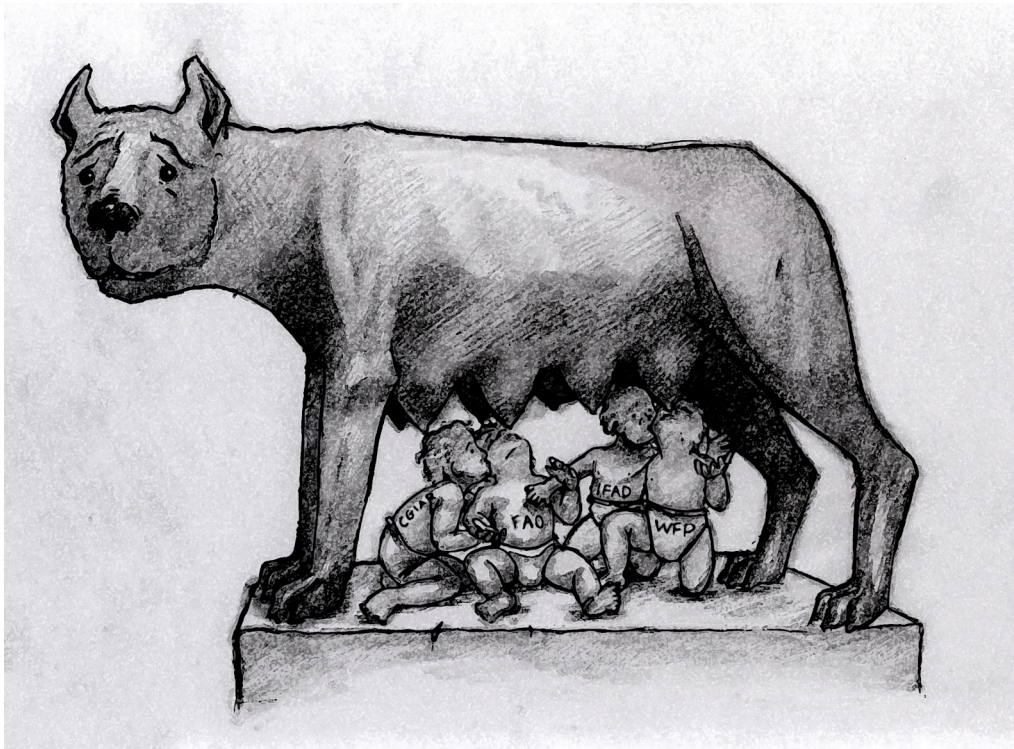


Who Will Govern?

Rome's Food Summit may determine who decides who will eat



The declaration coming out of the World Food Summit for Food Security in Rome is even worse than the "shameful" document adopted by world leaders in 1996, so famously criticized by Cuba's Fidel Castro. Governments won't promise anything to anybody. The only issue really being debated in Rome is whether control of the UN's "Department of Agriculture" will be wrested from the UN's Rome-based agencies and surrendered to an amorphous, G8 conjured, public-private compact called the Global Partnership for Agriculture, Food Security and Nutrition. If the Partnership prevails, national sovereignty fails, and civil society's hopes for Food Sovereignty will suffer.

Issue: The World Summit on Food Security (Rome, Nov. 16-18) is agriculture's bid for the attention of climate change negotiators en route to Copenhagen. To carbon traders, agriculture is a money-maker. To food negotiators, it is a billion people hungry with more on the way due to global warming. The food/climate summitry obscures a critical battle over the future governance of global food and agricultural institutions. The G8, the UN Secretary-General, and the Rome-based food agencies – FAO, WFP (World Food Programme), IFAD (International Fund for Agricultural Development) and the (often overlooked) CGIAR (Consultative Group on International Agricultural Research) – are in a three-way fight for institutional leadership over world food security. The decision about who will decide who will eat is the Summit's hot topic.

Fora: When governments awoke to the food crisis in the second quarter of 2008, two separate initiatives popped onto the scene. First, UN Secretary-General Ban-Ki Moon took advantage of the crisis to create a High-Level Taskforce of 22 UN and Bretton Woods institutions to respond to the challenge and (though unstated) to assert UN headquarters' hegemony over the interminably squabbling Rome agencies. Then, France's President Sarkozy (backed by the G-8 and, half-heartedly, by the G-20) proposed a Global Partnership for Agriculture, Food Security and Nutrition; a new vertical fund for agricultural development; and an expert advisory committee to guide agriculture's future. After a critical meeting in Madrid this January, Rome's feuding agencies called a temporary truce to stare down the Secretary-General forcing him to let a long-neglected leftover from the 1970s food crisis known as the Committee on World Food Security (CFS) take a crack at uniting the UN System and creating a global body that could meet Sarkozy's demand for a Global Partnership. Between Madrid and the CFS, the G20 met in Pittsburgh and agreed that a new fund of around \$20 billion (over 3 years) should be managed by the World Bank. When the CFS convened in Rome in mid-October, the global South was staring down the barrel of a huge new cash cow in Washington and still-persistent proposals for an amorphous Global Partnership hovering somewhere in the mid-Atlantic. Much to its own surprise and very much to the credit of its Chair, the CFS agreed to a new, more transparent intergovernmental and interagency structure in which it was acknowledged as the policy "hub" around food and agriculture. The euphoria may be short lived. In the draft declaration for the World Food Summit, states subordinate the CFS to the (as yet) undefined Global Partnership.

Policy: Nothing that takes place at the Food Summit, nor at the FAO Conference (following immediately afterward), should derail or delay six steps. The Summit should affirm that: (1) all policies (including treaties, regulations, program and financial policies) must be negotiated and monitored under the UN one state/one vote basis; (2) the CFS is recognized as "the hub" of all intergovernmental action related to food and agriculture; (3) the CFS immediately conduct a meta-evaluation of the four main agricultural agencies (including CGIAR); (4) the CFS invite the four organizations to coordinate their regular meetings to jointly review the meta-evaluation; (5) FAO restructure its biennial regional conferences to be co-convened by the four agencies under the guidance of the CFS with its revised procedures allowing the active participation of civil society. The regional conferences should address the meta-evaluation, review the responses of the various agencies, and make specific recommendations; and, (6) the CFS should take the opportunity of the 2011 FAO leadership change to facilitate a new leadership model among the Rome agencies.

The 100 Years War for Good Governance in Food and Agriculture



“The concentration of Capital and Energy, so general in the United States, is beginning to make itself felt in the Old World, and in this new factor, this new phenomenon, the European thinkers note a serious danger for the independent landowning farmer. This concentration, this conservation of Capital and Energy, this new Power, has but one aim; Advantage. It is not difficult for the Organized to take advantage of the Unorganized.”

David Lubin, founder of the International Institute of Agriculture, October 6, 1904.

1905-08: Under the leadership of one lone farmer, in 1908, 41 governments met in Rome to convene the International Institute for Agriculture – the first-ever international body to address food and agricultural issues. The IIA grew in membership, eventually morphed into the *de facto* Department of Agriculture for the League of Nations, and only formally closed its doors after World War II to make way for FAO.

Amazingly, this first intergovernmental institution was the idea of a Polish-born American farmer named David Lubin who left his farm to campaign for his idea around Europe at the beginning of the 20th century. By 1905, Lubin had convinced Italy’s king to host the first intergovernmental meeting in Rome. Lubin became the IIA’s first Director – a post he held until his death in 1919 – a victim of the flu epidemic. FAO’s library still bears his name.

In creating the IIA, Lubin’s goal was straight forward: to get a fair deal for farmers. He argued that the great grain cartels were manipulating prices and markets and making it impossible for farmers to do their job: feeding the world’s hungry. Ring a bell?

By the late 20s/early 30s, however, the farmer-spirit that built the IIA was succumbing to intergovernmental politics and bureaucracy with member governments paying more attention to posts and privileges than prices and peasants. A private external evaluation conducted in 1931 lamented the decline and wondered if the international organization could be rescued.

“The governing body has been lax, not to say neglectful, in the discharge of its duties. It has permitted the misuse, if not the abuse, of administrative authority, resulting in the violation of fundamental principles of international control and management [...] more political than technical. Diplomatic considerations tend to submerge those pertaining to the economic, social and scientific. At times, diplomatic pressure tends to paralyze and render inoperative the machinery created by the Treaty for the control of the organization. If... [it] is to render the service for which it was created, it must openly and frankly face certain maladjustments of its own creation.”¹

Asher Hobson, 1931, in his external evaluation of the IIA

1943-48: Toward the end of World War II, in 1943, U.S. President Franklin D. Roosevelt convened an international meeting outside Washington to ponder the institutional

ramifications of his call for a world free from hunger. Canada picked up on the idea and FAO became a reality at an international diplomatic meeting in Québec City in 1945. FAO's early days were filled with optimism. The UK's John Boyd-Orr – a farmer and a nutritionist – became the agency's first Director-General, renounced his British citizenship to become a “world citizen” and went to battle to create global grain stockpiles and price controls. The grain trade struck back and in 1948 Boyd-Orr accepted early retirement and the Nobel Peace Prize for his efforts.

“Norm, enjoy this while you can. If you live long enough, and I suspect you will, I fear you will see the very system you helped to create become so inward looking and self-serving that it may be impossible to reform. If that happens, it may be easier to move laterally and build a new system rather than trying to reform the old one.”

Dr. Forrest Hill, of the Rockefeller Foundation and a founder of the CGIAR, to **Dr. Norman Borlaug**², a statement often quoted by Dr. Borlaug dated from the late 1960s.

1968-74: With decolonization, the formation of the G-77, and the call for a New International Economic Order, FAO was seen as a powerful and practical tool in the South's efforts to gain control of its agricultural commodities and achieve food security. FAO's one nation/one vote governance was also seen, by OECD states, as a barrier to their own global agricultural trade strategies. Beginning in the 1960s, FAO's role in agricultural research was undermined by the foundation-funded international agricultural institutes of the Green Revolution and, in 1971, despite opposition from FAO, the Consultative Group on International Agricultural Research (CGIAR) was formed outside the UN System and headquartered at the World Bank. The shock of the 1974 food crisis gave OECD states an opportunity to hive off FAO's funding capacity in the newly-created International Fund for Agricultural Development (IFAD) and to begin de-linking the World Food Programme (WFP) from its original home in FAO. As FAO's food aid, finance, and research functions were being divided up, the U.S. proposed the formation of a new global governance body for food and agriculture to be called the World Food Council. While its role was kept deliberately vague, the presumed intent of the WFC was to take over the policy-setting functions of FAO. Ring a bell? The world food Council, in the end, never functioned and was finally put out of its misery in 1993.

“The hope growing out of the Food Conference is that the new Committee on World Food Security supervised by the Food Council may be able to exercise some useful influence over signatory nations.”

Thomas Weiss and Robert Jordan, 1976³

1980-2005: For a quarter-century, governments persisted in the belief that world hunger was no longer an issue. Funding for agricultural and rural development collapsed, national agricultural research went into steep decline in most countries, multinational corporations consolidated horizontally and vertically and *rigor mortis* set in along the industrial food chain.

“In 1992, in a surprisingly candid self-assessment, the Council agreed that it had ‘fallen short of achieving the political leadership and coordination role expected from its founders at the 1974 World Food Conference. It saw the need to ‘review the role and functioning of the Council placed in the wider context of global food security management and the overall restructuring of the social and economic activities of the United Nations system. The review in effect suggested that there was little justification for the continuation of the Council, which ceased functioning in 1993.’”

Mahfuzur Rahman, 2002⁴

“The management of the CG system has become more complex, top heavy, administratively burdensome, and expensive. The current set up...only partially illustrates the case. Of concern also is its growing bureaucracy which has become debilitating. It drains precious resources (human and financial) from programs and contributes to its low productivity. Externally, the context in which the CG operates has changed and there are new non-CG players and operational models worthy of examining. Above all, the CG needs to refocus on the needs of the hungry and poor and less on the needs of the centers and investors.”

Dr. Hartmann, Director-General, IITA⁵

2005-2011? Beginning with IFAD and moving on to FAO and the CGIAR, a series of Independent External Evaluations and/or internal reviews exposed major institutional failures among all of the international agricultural agencies. Simultaneously, the World Bank reviewed its own performance in food and agriculture and admitted that it had neglected this field for far too long.

Then, governments became aware of the food price crisis and FAO reported that the ranks of the world’s hungry have swollen from 840 million in 2003 to over one billion in 2009. Also in 2008-09, however, the concern about hunger was overshadowed by the global economic recession and the rising alarm over climate change. Few governments – or commentators – have recognized that climate changes will massively compound the food crisis or that the economic downturn will create still more hunger.

In the second quarter of 2008, three initiatives – ostensibly to respond to the crisis – brought the international food system’s governance problems onto a collision course with both the lead institutions and the world’s hungry. Understandably exasperated with the internecine warfare among the Rome-based agencies, the UN Secretary-General created a High-Level Taskforce to address the crisis bringing together 22 UN and Bretton Woods institutions under his leadership. Second, in June, France’s President Sarkozy proposed the creation of a Global Partnership for Agriculture, Food Security and Nutrition along with plans for a new financial mechanism and a new advisory committee of experts. Sarkozy’s proposals were later adopted by the G8 and the G20. To long-time observers of the food agencies, France’s move looked

like *déjà vu* from 1974 all over again – another amorphous World Food Council with another name. Thirdly, FAO’s Director-General – incensed by the food crisis but alarmed by the “shock therapy” being pressed from New York and Paris – pushed for a series of summits under FAO leadership that would keep the world’s attention on the hungry and away from FAO’s internal failings. By the beginning of 2009, it appeared that the New York and Paris initiatives were finding common ground. In defense, the feuding factions in Rome – FAO, IFAD, and WFP – joined forces to propose that a restructured UN/FAO Committee on World Food Security (CFS) could morph into the whole-inclusive partnership Sarkozy envisioned. In mid-October, the all but forgotten CFS was dusted off and under the brilliant leadership of its Argentine Chair won unanimous support from governments and civil society to become the genuinely inter-agency policy hub for food and agriculture.

But, the governance problems are hardly over. Some OECD states believe that too much has been ceded to the Rome-based agencies and believe that a new Global Partnership must be constructed above and beyond the CFS. Then, too, there is the G8 and G20 commitment to provide US\$20 billion over three years for agricultural development. This money will be serviced by the World Bank in Washington and policy interference from the CFS will not be welcome. Further, although the OECD sees technology playing a major role in future world food security, the CGIAR has been kept at a distance from the coordination fracas even as the CG goes through its own, sometimes horrific, reorganization. Isolating the CGIAR from new governance models seems to violate the OECD’s much-prized Paris Declaration. There is still much to be resolved and many observers believe that the final shape of the future food system can’t come into focus until at least mid-2011 when governments will have to elect a new Director-General at FAO (to take office in 2012), and/or design some new UN leadership model for the Rome-based agencies. In other words, the 100 Years War isn’t over.

Governance for Tummies – The Main Issues

It is customary in intergovernmental negotiations for the truth only to be whispered in corridors...and not always then. So, it has also become customary for civil society organizations to say the unspeakable things out loud. The big debate – as always – is over ownership and control: Who gets to decide on the agenda and who gets to spend the money? The “who” here – only partly, but sadly – involves a basketful of egos scrapping over a pocketful of (what usually turns out to be) loose change. The issue that draws rhetorical, but not substantive, attention in the meetings – and is rarely mentioned in the corridors – is, “what do we need to do?” At our best, civil society addresses this out loud too.

Who Gets to Decide?

In principle, governments at FAO make decisions on the basis of one country/one vote. IFAD and WFP, whose business it is to spend money and allocate food, have weighted voting systems that give much more influence to those with either the money or the grain. No one is quite certain how CGIAR makes decisions (including CGIAR) but the CG has about 60 members – mostly governments, a few IFIs (International Financial Institutions), a few foundations, and Syngenta’s corporate-controlled foundation. The Gates Foundation, surprisingly, is on its way to being the CGIAR’s largest donor but is not (yet) a member. Membership to FAO, IFAD and the WFP is open to any national government. Membership to the CGIAR is open to anyone with the cash. This means that the CGIAR’s so-called “clients”

(the global South) are substantially underrepresented in the CG membership. Rumours also abound that many of the South's member states have their membership indirectly supported by other donors.

All this makes FAO's one state/one vote model pretty attractive to developing countries. But, not all is as it seems. First, it means that OECD states pound FAO's core budget down to a minimum. Wherever possible, programs are pushed into categories where they require special voluntary funding. Although this tactic inevitably increases costs, OECD countries have the satisfaction of knowing that they can independently decide whether to fund or not – and can impose all the rules and conditions they wish on the money they give. While the “consensus” tool suggests otherwise, powerful intractable states are rarely challenged.

And, in FAO's policy domain, OECD states invariably press for early agreement on “consensus” decision-making, meaning that a single state (with either the moxie or the money) can block decisions forever.

In the end, however, FAO is “home” for the G77 and China and they are understandably loath to see its influence weakened in favour of other agencies with weighted voting systems. This cautionary principle is applied even more to the Bretton Woods institutions than to IFAD, WFP or CGIAR. So, the proposal to create a Global Partnership for Agriculture, Food Security and Nutrition is particularly unwelcome to countries outside the G20 loop that don't like amorphous structures that will further dilute their influence among big governments, big corporations, big philanthropic foundations, and even big Bretton Woods institutions. (CSOs are also invited to the table but we raise few fears from any quarter and big governments think that the utility of CSOs is to provide a theoretical “balance” to the presence of big companies.)

What of the UN New York? On this basis, one would think that Ban-Ki Moon's efforts to harmonize the UN System and consolidate agencies around New York would be welcome. The UN General assembly, after all, does operate on the one nation/one vote basis. Most – maybe all – governments might agree that, ultimately, the disparate food and agricultural agencies should be brought together as a kind of “Department of Agriculture” under the General Assembly. This makes perfect sense.

Opposition from the global South comes from two related points: First, it will take some years and considerable institutional adjustment to shift the expertise of so many diverse actors to New York – and just as long for the General Assembly to adopt its new responsibilities effectively. Bluntly, nobody in New York knows anything about food or farmers. Secondly, the absolutely worst time to reorganize the infrastructure around food and agriculture is during a food crisis. It is simply irresponsible to compound the present emergency with a potentially all-consuming bureaucratic distraction. But, over time, many of us would agree that such a move makes sense.

Logic suggests, then, that policy decisions for food and agriculture continue to be made on the basis of one country/one vote through a strengthened and expanded UN/FAO Committee on World Food Security. Likewise, the CFS policies and decisions must give general direction to – and detailed monitoring of – the new agricultural financial facility to be housed at the World Bank. (CSOs, of course, would vastly prefer to have the \$20 billion – if it ever shows up – close at hand in Rome under CFS control at an enlarged IFAD.)

Who Gets the Money?

The OECD should be of no doubt that the global South will not surrender the principle of one country/one vote in areas of policy, but the G77 cannot delude themselves into believing that financial contributors (including BRICs and foundations) are about to turn over the keys to the cookie jar. The best that can be hoped for is that funding will be made transparent; that it will be guided by policy principles laid down by the CFS; and that the CFS will have the ability to review and monitor the expenditures.

OECD states are understandably distrustful of the South's sometimes Pavlovian defense of arcane and dysfunctional posts and programs in the Rome-based agencies. Tradition and "tribute" have prevailed far too often and real changes are necessary. The global South would probably be more amenable to change if every programme phase-out weren't used by the OECD as an excuse for cutting budgets, but rather seen as an opportunity to shift resources to more important activities.

OECD negotiators need to rid themselves of the "urban legend" that only they can manage money responsibly. These are, after all, the states that created the present financial crisis that is exacerbating hunger around the world. It is the OECD states that vivisected the FAO as the UN's Department of Agriculture in the mid-1970s and created the bureaucracy and rivalry that afflicts the system today. It is the OECD states that have built all of the special funds and attached all the administrative costs to prevent the multilateral system from doing a better job. Now it is for the CFS to clean up their mess.

The case of CGIAR: Especially, it is for the OECD to recognize that the \$530 million (en route to becoming \$1 billion?) allocated for CGIAR violates the spirit of the Paris Declaration as well as common sense.

Realigning the Resources: The experiments and experience of the UN's "Delivering as One" exercise suggests that substantial savings are possible if the Rome-based agencies and the CGIAR were to harmonize many of their administrative features. Conservatively, institutions could save between 15-20 % of their program budgets (following 2-3 years of adjustment) that could be turned to new services. Collectively, the four organizations have annual operating budgets (exclusive of IFAD grants and WFP food allotments) of about \$1100 million. By delivering as one, the four agencies could potentially rescue \$180 - \$239 million per annum. One early task of the reformed CFS must be to make this happen.

Again, the Special Case of CGIAR: A significant portion of the savings could come through the re-structuring of CGIAR. According to the Director-General of IITA (International Institute for Tropical Agriculture headquartered in Nigeria), the CGIAR is weighed down by 25 administrative units that now spend between one quarter and one third of the CGIAR budget on administration. Hartmann, the Director General, says this is a conservative estimate and he argues that a rationalization of CG administration would liberate sufficient funds to hire an additional 400-700 scientists. Although we are not at all convinced that the best way to spend the savings would be to hire more international scientists, we do think Hartmann's estimate is reasonable. If the CGIAR institutions were merged into the departments of FAO, the efficiencies would be much greater. Such a merger is at least partly in keeping with proposals by Hartmann and others to reorganize the CG along either ecosystem or regional lines eliminating some of the 15 CG institutes in the process. As discussed below, we advocate the regional approach and recommend that CG

governance be harmonized with the restructured regional conferences historically led by FAO. Over time, the 15 “campuses” should be given over to national or regional agricultural programs and reorganized teams of CG scientists should be available in each region to catalyze and support regionally-identified agricultural research goals.

CGIAR’s own internal studies show that the 15 institutes often act discordantly and duplicate one another’s activities. In particular, CG institutes have made a mess of their interventions in sub-Saharan Africa where well over 50% of the total CG budget is spent. While the CGIAR prides itself in scientific independence, it has become increasingly dependent on short-term project funding from OECD donors. Integration into the Rome-based agencies under the CFS could lead to more long-term core financial support for international agricultural research.

Savings for the System: Funding that could be reallocated through administrative mergers at 15% and 20% savings.

| <i>Agency</i> | <i>Budget p/a</i> | <i>15%</i> | <i>20%</i> |
|---------------|------------------------|----------------------|----------------------|
| CGIAR | \$530,000,000 | \$79,500,000 | \$106,000,000 |
| FAO | \$382,850,000 | \$57,427,500 | \$76,570,000 |
| WFP | \$203,000,000 | \$30,450,000 | \$40,600,000 |
| IFAD | \$80,900,000 | \$12,135,000 | \$16,180,000 |
| TOTAL | \$1,196,750,000 | \$179,512,500 | \$239,350,000 |

How Can We Get There From Here?

FAO elections: There are other issues, too, that are not being discussed openly and frankly. The struggles over the reform of FAO have inflicted additional damage to the reputation of the organization. A few OECD states – the UK and Norway, for example – have become openly hostile to the present Director-General and several other OECD states, while more diplomatic, share the antipathy. These governments are determined not to give more cash or credence to the organization under its current leadership. A great deal will depend upon not only who will become the next Director-General but also how that person will be elected. Here, civil society has an important but difficult role. FAO selection processes are bizarre and byzantine and it is vital that the search for potential candidates begin now (in fact it already has) and that each candidate be publicly-vetted and encouraged to participate in open, all-candidate debates around the world before the election. The CVs of each candidate should be made available on the Internet and there should be ample opportunity for candidates to dialogue directly with all concerned parties. CSOs may also play a role in actively seeking candidates and talking with governments about potential leaders.

There is a general consensus that the next Director-General of FAO should come from a GRULAC country (Latin America and the Caribbean). The names of some very prominent Brazilians are already in play. At the same time, OECD states – eager to have a candidate with sound managerial skills – while open to a Latin American leader – are also looking within Europe. From the CSO perspective, the goal is not to have one good candidate but to encourage several good candidates and a healthy debate on the future, not only of FAO but of food and agriculture within the UN system. In the absence of other initiatives, civil society organizations may decide to take an active role in the democratization of the election process.

CFS structure: At its mid-October meeting, the CFS received a clear mandate to be the hub of multilateral policy on food and agriculture and to play a coordinating role among the Rome-based agencies. While this mandate is being disputed by the rival High Level Task Force and by the related G8 proposal for a Global Partnership, the lead position is now held by the CFS and its new bureau. It must act quickly.

CSOs attending the October meeting – while enthusiastic about the outcome – were concerned that the decision to keep the secretariat (at least temporarily) within FAO, and to have all seconded staff from other agencies defined as FAO staff answerable to the Director-General, puts too much emphasis on FAO and not enough on the other Rome organizations. Some would have preferred that the meetings of the CFS rotate among the organizations and that even the secretariat's offices change location periodically. Now, the important task is to ensure that the CFS secretariat has the staff and budget – and, especially, the profile – to command the attention of the four agencies and to undertake an important new agenda. Governments must back the re-formation of the CFS with financial and political support.

Six steps: The Summit should make two governance issues absolutely clear:

- All policies (including treaties, regulations, program and financial policies) must be negotiated and monitored via the UN one state/one vote principle;
- The CFS must be recognized as “the hub” of intergovernmental action related to food and agriculture.

The Bureau of the CFS should consider the following priority steps:

- The CFS should immediately conduct or commission a meta-evaluation of the four main agricultural agencies (including CGIAR);
- The CFS should invite the four organizations to coordinate their regular meetings to jointly review the meta-evaluation;
- FAO should be asked to restructure its biennial regional conferences so that they are convened by the CFS in close consultation with the four Rome based agencies using the revised CFS procedures that allow the participation of civil society. The regional conferences should address the meta-evaluation, review the responses of the various agencies, and make specific recommendations to the four agencies and the CFS;
- CFS should begin a dialogue with all concerned parties on the potential for restructuring the leadership model for the Rome-based agencies prior to the 2011 FAO leadership change.

The CFS beyond governance: Aside from areas of international governance, of course, the CFS Bureau will have to consider an urgent agenda including the multilateral system's response to the food crisis; the immediate threats posed by agrofuels and land grabs; and, the need to engage the UN FCCC (UN Framework Convention on Climate Change) in addressing the problems food and agriculture are already facing as a result of global warming. The CFS must also begin a re-evaluation of the various models of production for food and agriculture including, in particular, proposals for the implementation of Food Sovereignty.

Below is a restatement of the structural proposals we made to the Madrid High-Level Conference in January 2009. We believe that this proposal could form a basis for the long-term reorganization of the Rome-based agencies into a single body. Perhaps the only substantial change between our recommendations from January and today is that we believe the CFS itself is the *de facto* “New Roman Forum.”

Toward a New CFS/New Roman Forum

Reconsidering the Rome-based agencies

IFAD: The International Fund for Agricultural Development is still somewhat recovering from a harsh Independent External Evaluation (IEE), carried out in 2005, which found its programme performance wanting and its efforts to reach the rural poor waning. Since then, the IFAD has bounced back and is working hard to improve its effectiveness. Notably, the IFAD has established a Farmers’ Forum, which wins praise from small-scale farmers’ organizations. In the end, the IFAD – although much smaller than it could be – is respected by donors and beneficiaries. Although the global South would prefer a more democratic voting structure at the IFAD, decision-making around loans and grants comes with special problems. ETC Group believes that the fund should be merged into a New Roman Forum as the International Facility for Food, Agriculture and Rural Development (IFFARD).

“About half of IFAD projects do not represent a good use of resources invested and only 45 per cent of the sample was rated as having a ‘high’ or ‘substantial’ level of efficiency.”
-- Independent External Evaluation, IFAD, September 2005.

WFP: Meanwhile, the World Food Programme – whose staff and structure wax and wane on the whim of food aid contributions and emergencies – has undergone turbulent times exacerbated by the largely unanticipated food emergency. The WFP continues to have an ambiguous governance relationship with the UN New York and with the FAO. This historic problem has hampered inter-agency cooperation for decades and encouraged “mandate-creep” among all of the institutional actors as they try to assert their role in high-visibility emergencies. At some subliminal level, it must be hard for the WFP not to clap its hands gleefully in the face of the rapidly-rising demand for food aid and emergency services. However, the WFP still has fundamental governance issues. The WFP’s most recent action plan calls for it to shift beyond food security to “food assistance”. This move increased potential for programme/financial conflict with FAO. Some observers see this as a “mandate grab” at a time of FAO weakness. As much as the CGIAR sees all food and agriculture problems as a matter of science, the WFP is likely to see agriculture and rural development as requiring food assistance. ETC Group believes that the WFP should be merged into a New Roman Forum and that the emergency monitoring functions now in FAO should be placed under a strengthened World Food Security Programme (WFSP).

FAO: The FAO underwent a massive Independent External Evaluation that ended in 2007 with a damning critique of its governance structure, management culture and programme performance. Three committees of member nations are at work trying to reform the organization. A special meeting of the FAO Conference was held in November last year to discuss the implementation of these reforms.

“ ... A third distinction relates to staff at the most senior levels of the Organization reporting to the Director-General, who also have the greatest contact with the Governing Bodies. As a group, respondents in this category scored highest (along with the Forestry and Sustainable Development Departments) in support for major (and urgent) organizational culture change [sic]. At the same time, however, in answer to the question of whether they thought that genuine organizational change could be achieved, they expressed the greatest scepticism.”
- The FAO Independent External Evaluation, July 2007.⁶

Like the WFP, FAO must, in some way, be relieved by all the media attention and intergovernmental furore arising from the food emergency. With some truth, FAO is telling everybody that they told them so. At its highest levels, FAO hopes that the reform focus of member governments will blow over and that – at least for political reasons – new money may come its way.

Several Northern donors are rushing to warn FAO that it is not off the hook yet. Reforms are still urgently needed, they insist, and governments may still pull their money from FAO (and their membership) if strong action isn't taken. OECD politicians, after all, are savvy enough to reckon that they can gain more political credit for their money – at home and abroad – by putting it into high-profile bilateral initiatives.

FAO is, undoubtedly, in a mess. In large measure, that mess was created by OECD countries back in the 1970s and confirmed by agricultural development aid fatigue in the '80s. Today, FAO's most attractive feature is that its budget is decided on a one-nation, one-vote basis. Secondly, it is clearly the normative body for food and agricultural issues. ETC Group believes that a New Roman Forum must also operate on a one-nation, one-vote basis regarding the programme and budget for the basic infrastructure of the FAO, the IFAD and the WFP. This would not preclude voluntary financial contributions to any of these organizations over and above their core budgets. In one sense, FAO would be enlarged to become the New Roman Forum. In another sense, most of the normative functions now residing in FAO would move to a Food and Agriculture Conference (FAC) under the forum.

CGIAR: It is hugely embarrassing for the half-billion-dollar CG network that it failed to anticipate the gathering food emergency of 2008 and is scrambling now to catch up to the calamity. It is especially irksome to CGIAR's funders that its \$47 million flagship, the International Food Policy Research Institute (IFPRI) in Washington – charged with tracking food trends and trade – failed to warn governments of the impending crisis. That all this evolved while the CGIAR is undergoing a numbingly perennial, change-management process – as well as a meta-evaluation – adds to the humiliation.

“The CGIAR cannot continue as it is, being more about process than results. The current Center-orientated [sic] governance structure is leading to a ‘tragedy of the commons’, in that each is looking at its own objectives rather than the bigger, global picture.
... A loss of Center [sic] autonomy may not be popular but it is essential...”
- Marco Ferroni, Executive Director, Syngenta Foundation, September 6th, 2008.

When the CG met informally at its International Rice Research Institute (IRRI) in Los Banos, Philippines last September, it had at least three contradictory governance and financial proposals on the table. There is a growing consensus among CGIAR's 60-odd donors that the CG's fifteen centres are a gang of “unherdable cats”.

On one level, it is hard to understand the sense of concern in the CG system. Budgets have boomed from around \$350 million a few years ago to almost \$500 million today. Yet, some centres teeter on the brink of bankruptcy, some top scientists are leaving and there is a sense of inevitable decline. Core funding in the CG system has dropped from two-thirds of budgets to about one-third over the last 20

years and many scientists are demoralized by the amount of time they spend chasing money, writing reports and laying off technical support. It is arduous to run a lab and make long-term scientific decisions based on short-term funding.

“It was surprising to hear them admit to one another that they had missed the warning signs of the impending food crisis. The donor governments were mad and the Centres were blushing. Still, they all seemed worn out and fed up with the whole never-ending change process.”
- Ditdit Pellegrina, SEARICE Executive Director, commenting on the CGIAR change management meeting September 7th, 2008.

However, the CG’s gloom may be relaxing in anticipation of increased bilateral funding for agricultural research as a result of the crisis. Like FAO, many in the CGIAR hope that all the distrust will just blow over as the crisis unfolds. The North’s alarm over spreading poultry and plant diseases has also increased their sense of security.

In their annual meeting in Mozambique last December, the CGIAR adopted a new structure which will place all 15 research centres under a single legal entity with a Board of Directors and CEO. Confusedly, each centre will retain its own board and Director-General. More confusedly, the donors are will now organize into a single body that will establish long-term challenge programs. The CG centres (singly, collectively, and/or with other partners) will bid for these challenge programs. Privately, donors and centres recognize that this new structure will probably whittle down the number of institutes from 15 to 10 or 12 fairly quickly. While there is general agreement that this is necessary, the donors actually just didn’t have the stomach to do the job themselves.

One obvious option for CG restructuring was never discussed. The CGIAR should join the UN System. ETC Group believes that the CGIAR should merge with FAO into the new Food and Agriculture Conference (FAC) under a New Roman Forum. In this way, the CGIAR’s core budget would be secured by mandatory UN contributions, the UN flag would secure its activities and its research would be more relevant to poverty alleviation.

Movable Pieces in the Chess Game:

Any efforts to change any one of the four institutions will be met with strong resistance. Each organization has its passionate defenders. It is only when the four institutions are examined together that negotiators could accept real change. Of the four institutions, however, only FAO and the CGIAR have obviously movable (or discardable) pieces. Of the four, only FAO operates on the basis of one country/one vote. (Nobody knows how the CGIAR decides!) This, together with its technical assistance and some specialty programmes, has earned the FAO reasonable support from governments in the global South. There is a deep reluctance to accept any changes at FAO that might weaken its normative function or dilute its funding. Simultaneously, Northern donors have an entrenched hostility toward FAO that will not easily be overcome. The reality is that the world needs an intergovernmental forum for food and agriculture.

The CG needs international legitimacy. FAO can offer it. The CG needs a governance environment that will allow it to make major structural changes in terms of the number and size of centres. FAO can provide the means to do this. At the moment, bilateral aid agencies get little credit for the \$500 million they give the CGIAR. Through FAO, the reorientation of the CG funds to collective regional initiatives could win political points.

In many ways, CGIAR is already a “Rome-based” organization:

- FAO is a co-sponsor of the CGIAR;
- CGIAR’s Science Council is hosted at FAO;
- The Global Forum on Agricultural Research (GFAR) (the abused foundling from an earlier CG renewal process) has its secretariat at FAO;
- CGIAR’s 11 international gene banks are under the policy auspices of FAO, as well as its Commission on Genetic Resources for Food and Agriculture;
- CGIAR’s crop germplasm exchange is governed by the FAO Treaty on Plant Genetic Resources in Rome;
- Bioversity International [formerly IPGRI, formerly IBPGR (posted at FAO with FAO staff) formerly the FAO Crop Ecology Unit] is headquartered in Rome and routinely represents the CGIAR in FAO meetings;
- The Global Crop Diversity Trust, which is becoming a major funder of the CGIAR and other gene banks, is housed at FAO and the Trust’s staffers are technically FAO employees.

Bringing the CGIAR together with FAO into a new Food and Agriculture Conference also makes sense. The CGIAR has often been accused of being a hammer in search of nails. Critics say (accurately) that the CGIAR lacks context. The centres seem to believe that every problem has a scientific solution. A close relationship to a new FAC would give the CG centres context. The big agricultural centres would relate to the agricultural division of the present-day FAO. Livestock, fish and forestry centres have a natural alignment with counterpart departments in FAO. The International Food Policy Research Institute (IFPRI) could join with FAO’s economic and social division to give the world a much-enhanced capacity in a critical area. Bioversity International already spends half its life in FAO meetings and the CGIAR’s 11 gene banks sorely need legal protection that can be afforded by FAO.

CGIAR scientists would be concerned, of course, that political decisions would replace scientific decisions in developing research programmes. The CGIAR collectively – and its 15 centres individually – already make programme decisions based on funder interests. If core budget could be protected under a New Roman Forum, programme planning could become less political. Although exposure to “context” would be healthy, the CG’s donors will probably appreciate the possibility of regionalizing the work of the group. Ultimately, research grant proposals should originate from a regional body, led by national governments, peasants’ organizations and scientific institutes in the region. The CG must move from “big box” science to take on more of an animation role stimulating regional cooperation. Small staff units from the existing centres could be shifted to Rome to strengthen the overall capacity of the new FAC. The remaining scientific staff could move to the New Roman Forum’s regional headquarters around the world, working as a team to encourage scientific development.

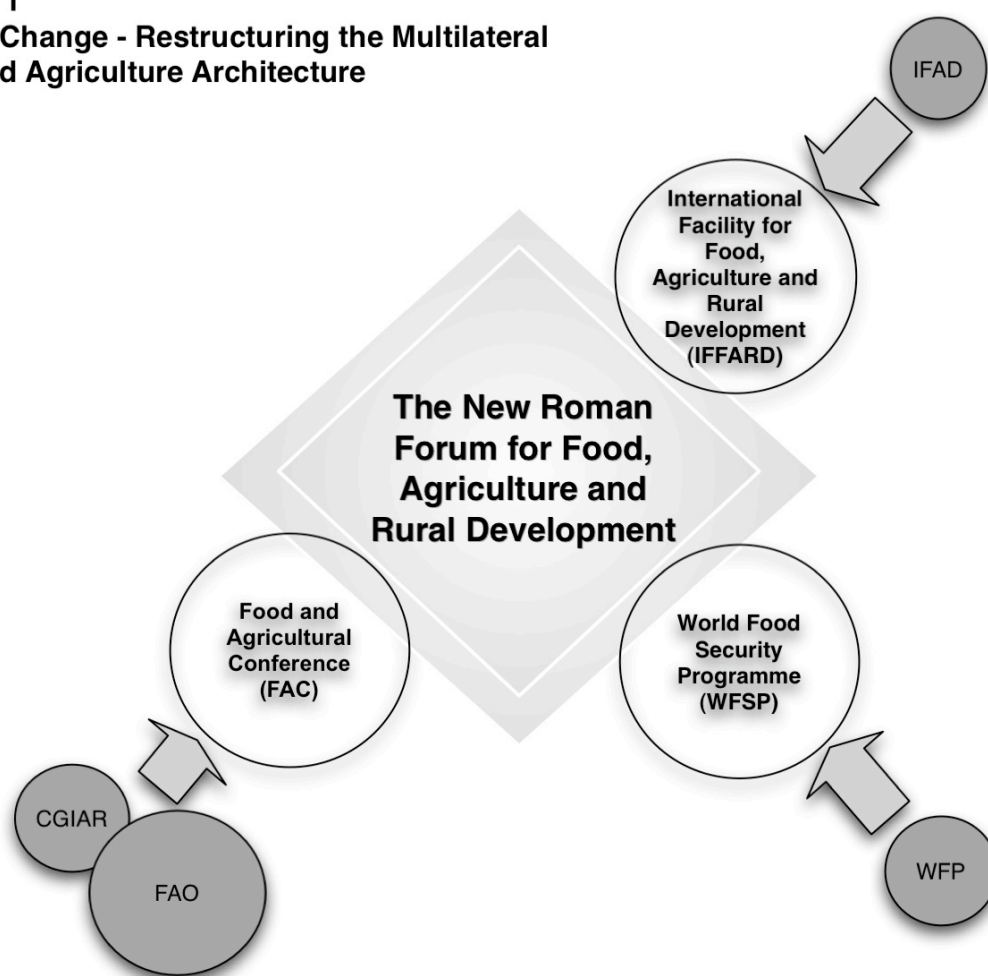
Those familiar with the CGIAR and its personnel realize that the coming together of FAO and CGIAR would not be anybody’s coup. CG staff would bring the FAC substance and increase government confidence in FAC activities.

Figure 1 (below) describes the convergence of FAO and CGIAR with IFAD and the WFP into a New Roman Forum based in Rome, with a single governing body and with a secretariat led by an under secretary-general of the United Nations. As part of this restructuring, the CGIAR would join with FAO in a larger Food and Agricultural Conference, headed by a director-general reporting to the under secretary-general.

Piecing together the New Roman Forum (figure 1):

The Assembly of Member Governments of the New Roman Forum for Food, Agriculture and Rural Development would accept responsibility for the roles now played by the governing bodies of the membership of FAO, the IFAD and the WFP. Initially, the assembly would meet annually until the reorganization is completed. After that, it would probably meet every two years. An executive board elected on a regional basis by the full membership of the Governing Body would meet on a semi-annual basis.

**FIGURE 1
Regime Change - Restructuring the Multilateral
Food and Agriculture Architecture**



Each of the three restructured organizations would have smaller executive boards with regionally-elected government representatives. The executive board of the forum and of its three subsidiary bodies would have members from just six regions. The North American region would merge with OECD states in the south-west Pacific to form one region. The New Roman Forum would exercise central control over regional and national offices as well as most corporate services. The mergers should substantially reduce governance time and costs as well as operational costs, while improving

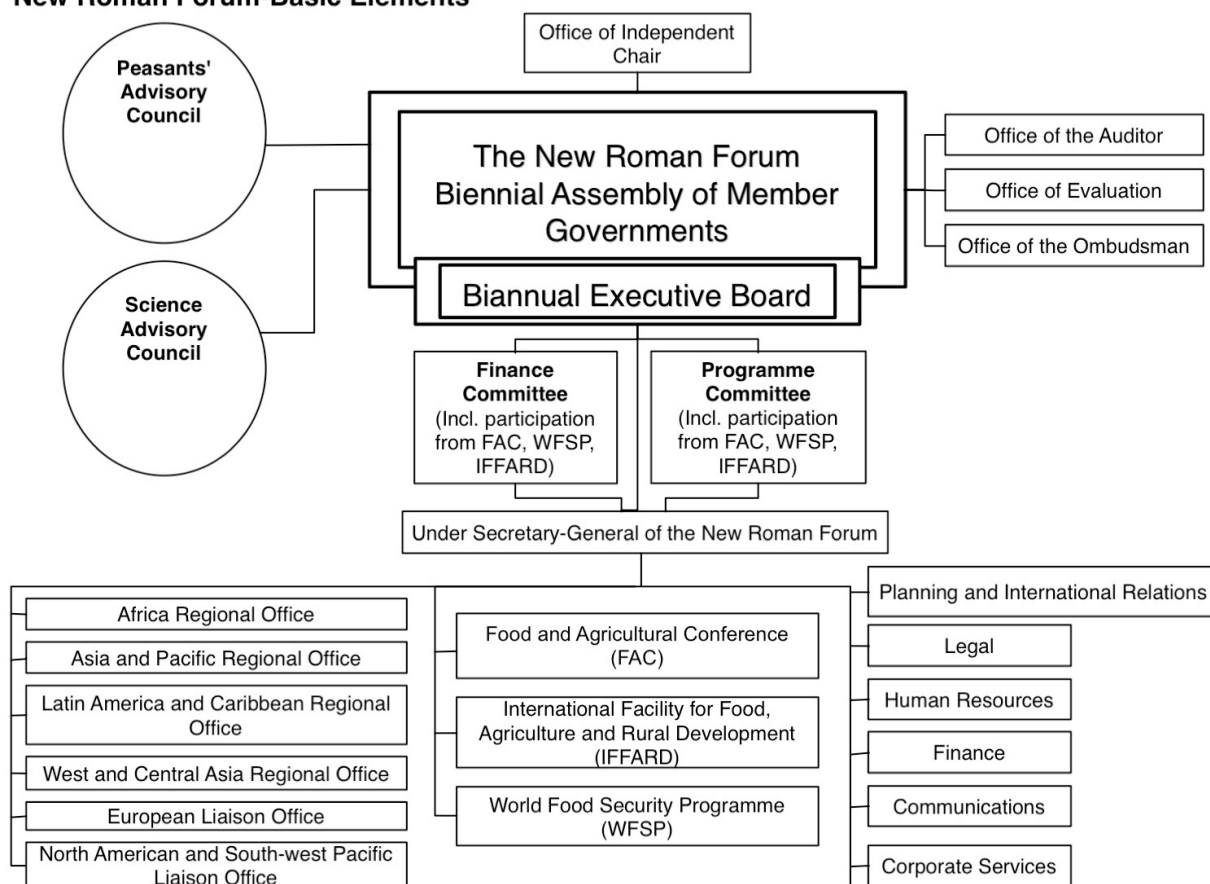
coordination and programme efficiency. Mandate-creep and inter-agency competition could be eliminated.

Pieces of the New Roman Forum (figure 2):

An Independent Chair, supported by a small secretariat, would lead the assembly and executive board of the New Roman Forum.

Two major advisory assemblies would have direct, active, non-voting representation in the Assembly of Member Governments, Executive Board and Programme Committee.

**FIGURE 2
New Roman Forum-Basic Elements**

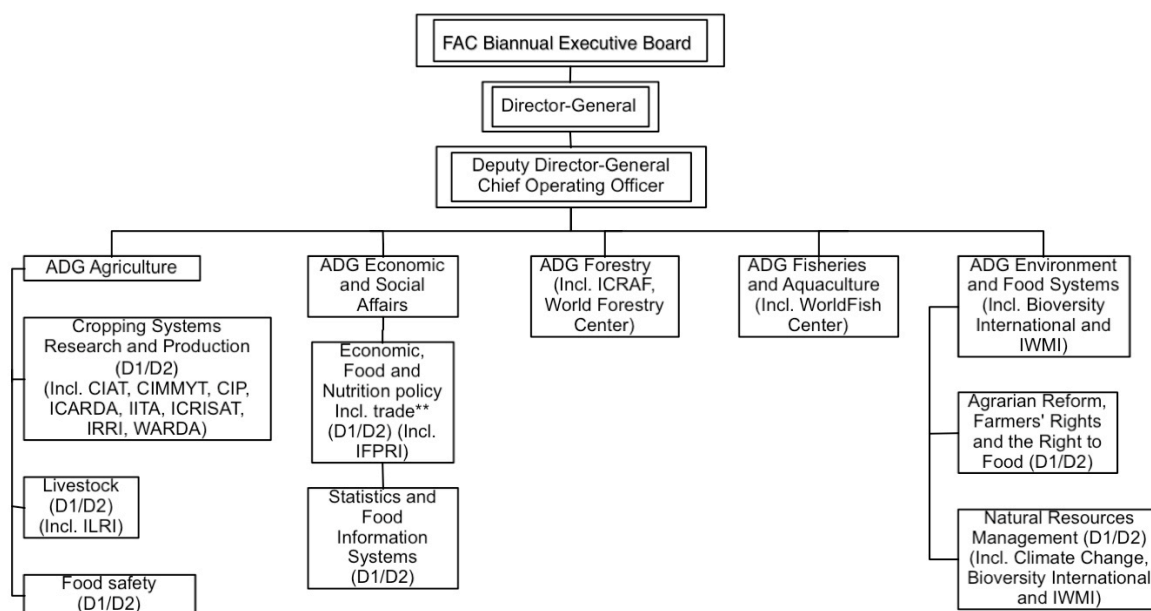


The Peasants' Advisory Council would bring formal UN recognition to the central importance of small peasant producers for the food system. Most of the world's (estimated) 450 million farms are nurtured by peasant families producing the (approximately) 85% of the world's food supply that is both grown and consumed within close proximity. Because the overwhelming majority of the world's food has limited contact with the global market economy and because this is the food that is most important to poor people, the active participation of peasants' organizations in the policies and programmes of the New Roman Forum is essential. The creation of the Peasants' Advisory Council affirms the poverty alleviation mandate of the forum and the central role of small producers in meeting the Millennium Development Goals and beyond. The Peasants' Council would include self-selected representatives of small farmers, fishers and livestock-keepers' organizations, as well as indigenous peoples' organizations on a global and regional basis.

In figure 3 (below), the regional conference structure of the new forum shows the role of the CGIAR's 15 institutes and also portrays regionally-based Peasants' Advisory Committees with a direct connection to both the biennial ministerial conference and the regions' bi-annual programme committees.

The Science Advisory Council would bring together nominated individuals from a wide range of scientific fields (including social and natural sciences) both from indigenous and institutional orientations. The Science Council would be modelled after the experience of the International Agricultural Assessment for Science and Technology for Development sponsored by the World Bank and FAO, and supported by governments and the CGIAR. The council would also take over the functions now being carried out by the CGIAR Science Council. As with the Peasants' Advisory Committees, subsets of the Science Council would operate at the regional level and have a direct input into the biennial ministerial conferences, as well as the biannual Programme Committee.

FIGURE 3
FAC-Food and Agricultural Conference



Committees: The (ultimately) biennial Assembly of Member Governments (on the basis of one country / one vote) would be supported by a Finance Committee and a Programme Committee made up of regionally-elected representatives. These two committees would also have oversight over the policy, financial and programme operations of the subsidiary bodies (FAC, IFFARD, WFSP).

Each of the three subsidiary agencies, however, would have its own executive board composed of member countries elected on a regional basis. These bodies would also provide the secretariat and meeting space for any intergovernmental bodies, commissions or committees necessary to manage specific treaties or agreements directly relevant to that agency.

Secretariat: The under secretary-general would serve as Chief Executive Officer and as Chair of a management committee that would include the director-generals of the three subsidiary agencies. Director-generals would be appointed by the under secretary-general in consultation with the executive board of the agency involved.

Services: The New Roman Forum would centralize several functions now duplicated at FAO, IFAD, WFP and CGIAR. At the highest level, these include the Office of the Independent Auditor, the

Office of Evaluation, and the Ombudsman. Administration regarding legal affairs, headquarters agreements, buildings, equipment, insurance, medical and social services, pensions and human resources management would be centralized. Most outreach initiatives related to interpretation, translation, publication and media would also be centralized.

Geographic representation (figure 4): The forum would have four regional offices (Africa, Asia and the Pacific region, Latin America and the Caribbean, as well as West and Central Asia) and two liaison offices (Europe and North America/south-west Pacific). As necessary, the forum could also establish sub-regional offices and country offices. All of the subsidiary agencies of the forum would work through these offices. This would amount to a major improvement in inter-agency coordination and efficiency. (The implications for the restructured CGIAR are significant and are described in figures 3 and 4.) Under the New Roman Forum, the biennial regional conferences of FAO would cease to be largely ceremonial and would become major policy and programme meetings that would give direction to the regional activities of the forum.

FAC - Food and Agriculture Conference (figure 3):

The FAC would continue FAO's role as the lead normative agency dealing with intergovernmental negotiations on all issues related to food and agriculture, data analysis and statistical services, socioeconomic policy and research, and manage science and technology research and services.

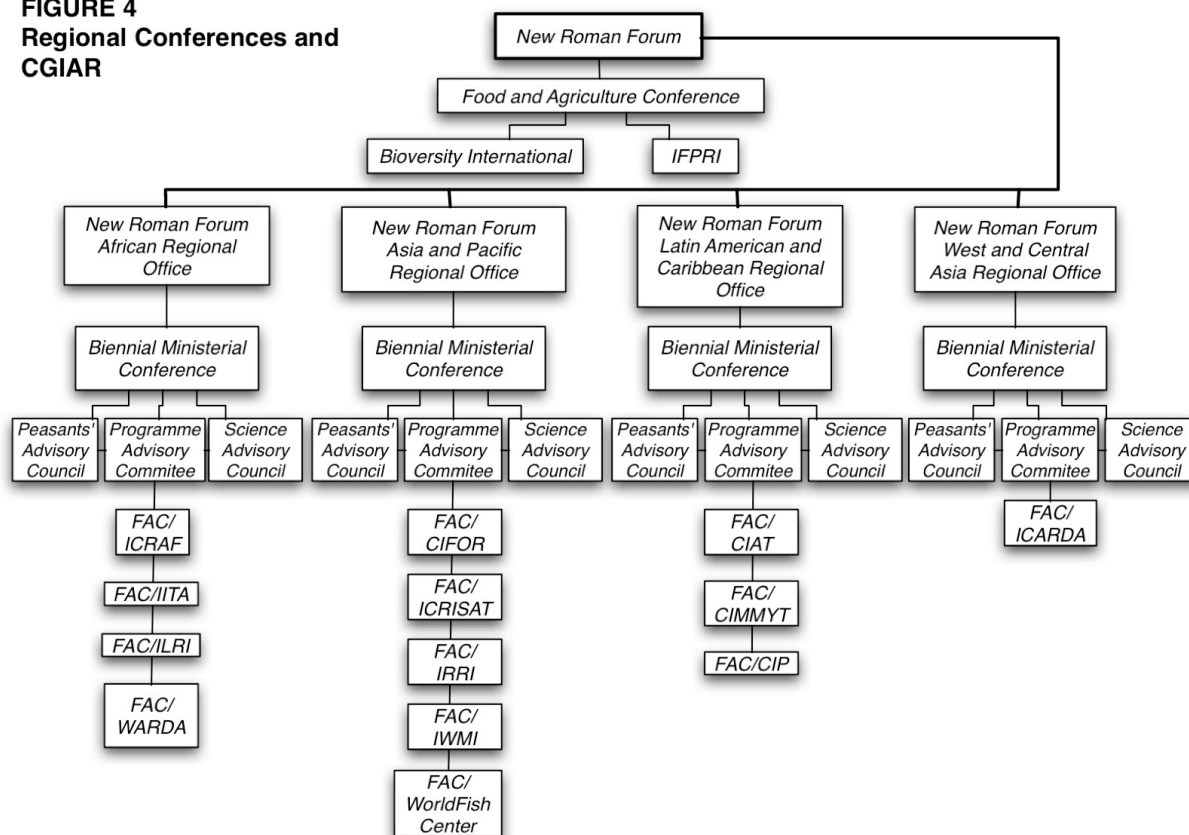
FAO's current biennial sectoral committees (agriculture, fisheries, forestry, etc.) would be reviewed and possibly abolished. The Executive Board of the FAC could recommend the convening of special intergovernmental meetings on specific issues for the consideration of the New Roman Forum's Programme Committee. The Governing Bodies of most food and agricultural committees would operate through the FAC.

Effectively, the new FAC would manage the normative functions of an intergovernmental body dealing with food and agriculture. Some financial technical aspects of the old FAO would be transferred to the new IFFARD and all emergency activities would be surrendered to the food security mechanism (WFSP).

Within the FAC, there are five departments each led by an assistant director-general. Under each department there are units led by a director-level (either D1 or D2) officer. ETC's proposal would re-establish a department for "environment and natural resources," which would include two units. One unit would address a range of critical issues including follow-through to FAO's agrarian reform conference, Food Sovereignty, the Right to Food and Farmers' Rights (as each is incorporated in different FAO treaties or initiatives). The second unit would focus on environmental and natural resource management concerns including the agricultural response to climate change, the control of genetic resources for food and agriculture, and other special initiatives related to agro ecological practices. Bioversity International and the International Water Management Institute (IWMI) would have elements merged into this unit.

CGIAR restructured (figure 4):

**FIGURE 4
Regional Conferences and
CGIAR**



FAC would take on the responsibility for science and technology policy and programme. The 15 institutes of the CGIAR would be placed, as appropriate, under the agriculture, fisheries, forestry, economic and environment departments of the new organization. Assuming that the regional and sub-regional structures of the forum would be strengthened over the old FAO, this reorganization of the CGIAR institutions includes the creation of regional science committees that would advise the regional programme committees in guiding scientific activities. The critical change here is to ensure that science and technology work remain within the context of the wider work in food and agriculture. Governmental and other contributions to the science and technology activities (beyond core budget support) would remain voluntary.

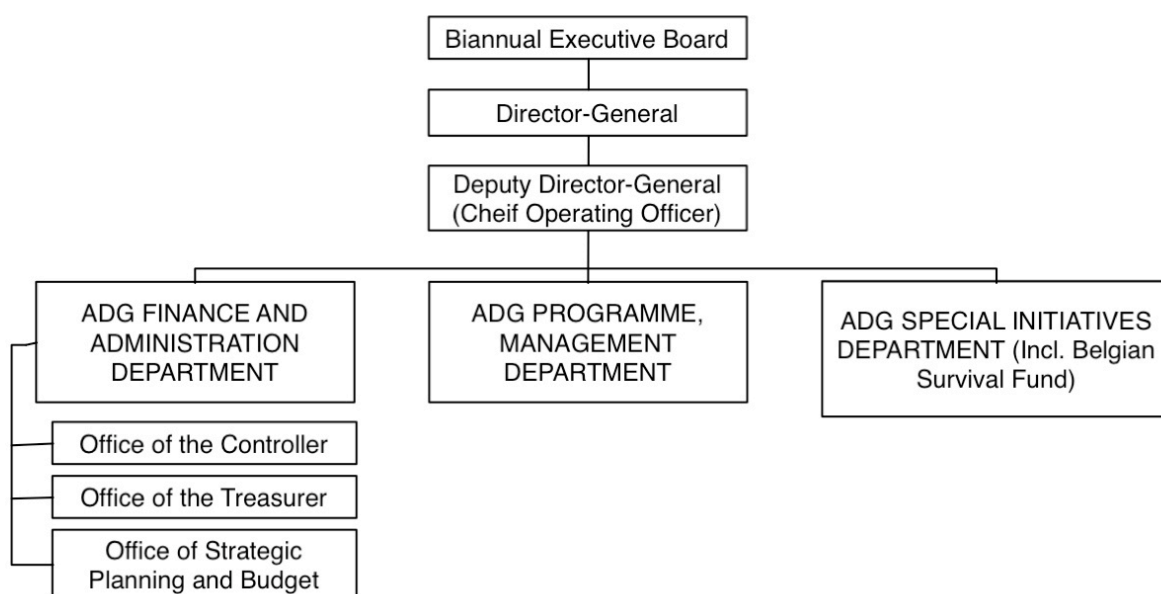
Over the next five years, the CGIAR should divest itself of its 15 campuses. These campuses should be surrendered to regional or national public science institutions. Centre staff should be replaced by relatively small (20–40 professionals) teams, who would operate out of regional forum offices. The purpose of the science teams would be to stimulate the development of regional research strategies and to work with the Forum's Science Advisory Council and others to attract financial support for regional programmes. A wide range of partners within the region could undertake the actual scientific activity.

Partnerships/contracts could be made with other institutions outside the region as deemed necessary. There could also be inter-regional initiatives on shared scientific tasks.

IFFARD – The International Facility for Food, Agriculture and Rural Development (figure 5):

In broad terms, the IFFARD will be the UN's financial facility for food and agriculture and other International Financial Institutions (IFIs) should strive to work through it, as much as possible. The facility's grants and loans should be determined as they now are at IFAD. Some technical services and investment facilities now held at FAO might be moved to IFAD. It may also be appropriate to move some special trusts from the old FAO to the new IFFARD. The IFFARD may require some specialist in-house legal services.

FIGURE 5
IFFARD-International Facility for Food, Agricultural and Rural Development

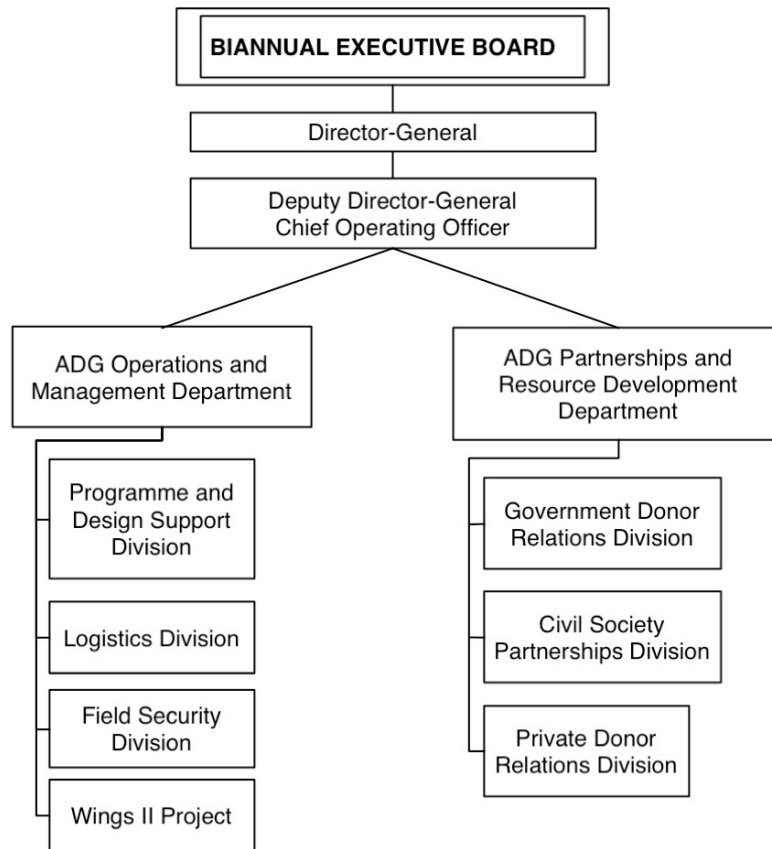


As with the other institutions, the committees of the IFFARD's Governing Body would review finance and programme aspects of the fund, but the decision-making processes for grants and loans would remain, essentially as they are today, under IFAD.

WFSP – The World Food Security Programme (figure 6):

The WFSP would take over some emergency functions from the former FAO and expand its responsibilities to include preparedness and emergency response to problems in food production (including the spread of plant and animal diseases), food safety and food distribution (food aid) under the governance mandate of the FAC. However, the WFSP's role would be strictly related to preparedness/management services and not social or scientific policy or development. The WFSP may require some internal audit and limited in-house legal services. Note that both the facility and the food programme – as IFAD and WFP – had a heavy commitment to regional and sub-regional infrastructure, which will now be borne by the forum on behalf of all three parties.

FIGURE 6
WFSP - WORLD FOOD SECURITY PROGRAMME



Peace among the pieces?

Member governments of FAO, CGIAR, WFP and/or IFAD cannot claim to be fulfilling their responsibilities if they do not consider the possibility of merging some or all of the four agencies into one coherent, multilateral institution for food and agriculture. In the end, there may be good reasons to reject this option but it is irresponsible not to consider it. This structural proposal – and others – should be considered in an open and transparent process involving three steps. Each of the four agencies, at their next meeting, should endorse these steps.

1. Jointly conduct a meta-evaluation of the four agencies. This evaluation should be completed within six months and should include recommendations as to the future structure of the agencies.
2. Convene a joint meeting of the appropriate governing body of each of the four agencies within four months of the completion of the meta-evaluation.
3. Restructure FAO's next series of biennial regional conferences in order to allow the full and equal participation of all four agencies for an in-depth and inclusive discussion of the meta-evaluation and its recommendations for the region.

These three recommendations are both quick and inexpensive. Dissenting governments should explain why they would not accept them... and why they accept inefficiencies in the \$4.3 billion spent annually on the multilateral food and agriculture system.

“Peasants” or “Producers”?

ETC Group is using the term “peasant” when referring to small farmers, small livestock-keepers, artisanal fishers and indigenous peoples rather than the more conventional term “producers.” Producer implies an unacceptably narrow industrial or market orientation. Although in some cultures peasant is used pejoratively, it demands a broader perspective including community, place and environment.

ETC Group is an international civil society organization based in Canada. We are dedicated to the conservation and sustainable advancement of cultural and ecological diversity and human rights. ETC Group supports socially responsible development of technologies useful to the poor and marginalized and we address international governance issues affecting the international community. We also monitor the ownership and control of technologies and the consolidation of corporate power.

www.etcgroup.org

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