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Review of issues pertinent to the subsidiary structure of the Commission, including the work of the ESCAP regional institutions: Macroeconomic policy, poverty reduction and inclusive development

Report of the Governing Council of the Centre for the Alleviation of Poverty through Sustainable Agriculture on its eighth session

Summary

The eighth session of the Governing Council of the Centre for the Alleviation of Poverty through Sustainable Agriculture (CAPSA) was held in Yogyakarta, Indonesia, on 21 and 22 March 2012.

The Governing Council adopted a number of recommendations as follows:

- (a) That member States identify innovative and sustainable mechanisms to increase institutional funding support to CAPSA in order to allow the Centre to deliver its services more efficiently and effectively;
- (b) That member States increase their annual voluntary contributions to CAPSA to a level comparable to commitments made by member States to other regional institutions of ESCAP;
- (c) That mechanisms for the re-capitalization of CAPSA be identified, suggesting that the possibility of establishing a trust fund for that purpose in the amount of \$2 million to \$3 million be assessed;
- (d) That ESCAP make available to CAPSA a share of the programme support funds generated through technical cooperation grants for projects implemented by the Centre;
- (e) That member States identify opportunities for in-kind contributions to CAPSA, such as co-organizing and convening capacity-building events, co-sponsoring participants from least developed countries and providing experts;
- (f) That the Centre take action, including high-level policy consultations, to diversify its group of stakeholders by involving more focus institutes and decision makers in the region. The Council also recommended that the Centre increase its activities in the Pacific subregion, recognizing that a number of donors make funds available for that particular subregion.

* The late submission of the present document is due to the fact that the Governing Council session was held after the deadline for submission to conference services.

In addition, the Governing Council endorsed the proposed work programme for the period 2012-2013 and commended CAPSA for its achievements during the reporting period. The Council noted particularly the achievements of CAPSA towards establishing itself as an effective knowledge centre for South-South dialogue on poverty reduction, food security and sustainable agriculture, and acknowledged the steps the Centre had taken in developing a comprehensive approach towards capacity-building for agricultural policy analysis in the region.

The Commission may wish to deliberate on these issues and propose policy recommendations for the alleviation of poverty through sustainable agriculture in the region.

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I. Matters calling for action by the Commission or brought to its attention

A. Recommendations

1. The Governing Council recommends that member States identify innovative and sustainable mechanisms to increase institutional funding support to CAPSA in order to allow the Centre to deliver its services more efficiently and effectively.

2. The Governing Council recommends that member States increase their annual voluntary contributions to CAPSA. The suggested voluntary contributions, which would allow CAPSA to fulfil its expanded mandate, could be comparable to commitments made by member States to other regional institutions of ESCAP, and could be in the region of \$30,000 for developing and middle-income countries and \$7,000 for least developed countries.
3. The Governing Council recommends that mechanisms for the re-capitalization of CAPSA be identified and suggests assessing the possibility of establishing a trust fund for that purpose in the amount of \$2 million to \$3 million.
4. The Governing Council requests that ESCAP make available to CAPSA a share of the programme support funds generated through technical cooperation grants for projects implemented by the Centre.
5. The Governing Council recommends that member States identify opportunities for in-kind contributions to CAPSA, such as co-organizing and convening capacity-building events, co-sponsoring participants from least developed countries and providing experts.
6. The Governing Council recommends that the Centre take action, including high-level policy consultations, to diversify its group of stakeholders by involving more focus institutes and decision makers in the region. The Council also recommends that the Centre increase its activities in the Pacific subregion, recognizing that a number of donors make funds available for that particular subregion.
7. The Governing Council urges member States to inform CAPSA about training, capacity-building, required policy-advisory services and opportunities for collaboration among member countries and requests that the Centre explore various options to provide in-house training on agricultural policy for staff in relevant ministries.

B. Other decisions

8. The Governing Council endorsed the proposed work programme for the period 2012-2013 and recommended that the Centre continue to focus on creating a policy environment that would enable technology development, promote sustainable agriculture and address links among food, energy and water security.
9. The Governing Council members expressed their commitment to continue working closely with CAPSA, specifically for the development of technical cooperation grants.
10. The Governing Council commended CAPSA for the excellent achievements made during the previous reporting period. The Council noted particularly the achievements of CAPSA towards establishing itself as an effective knowledge centre for South-South dialogue on poverty reduction, food security and sustainable agriculture, and acknowledged the steps the Centre had taken in developing a comprehensive approach towards capacity-building for agricultural policy analysis in the region.

II. Summary of proceedings

A. Administrative and financial status of CAPSA

(Agenda item 4)

11. The Governing Council had before it the report on the administrative and financial status of CAPSA (MPDD/CAPSA/GC(8)/01, sect. III). The document was introduced by the Head of the Centre.

12. The report provided an overview of the administrative and financial status of the Centre in 2011 — as of 31 December 2011 — and contained details of cash contributions from member States, including the host country, as well as statements of expenditure and account balances. The Centre's financial resources are divided into two categories: institutional support and technical cooperation projects. Institutional support resources are used, in principle, to support the management and general operations of CAPSA that are not directly related to project activities. Technical cooperation project resources consist of contributions from international donors for individual projects. The report emphasized that CAPSA operational expenses continued to be larger than its income from institutional support, resulting in a negative balance in 2011. Contributions from member States had declined in 2011, compared to 2010. Staff salaries, the largest component of expenses, were increasing. To address the financial challenge, the Centre suggested that the Governing Council consider a recommendation that member States commit themselves to regular, annual contributions.

13. Representatives of the following countries made statements: Indonesia; Malaysia; Papua New Guinea; Philippines; and Thailand.

14. In addition, a statement was made by the representative of the Japan International Research Center for Agricultural Sciences (JIRCAS).

15. The Governing Council commended CAPSA for delivering a range of activities despite its small budget. The Council expressed concern regarding the limited amount of funding that CAPSA had received since its inception and suggested that innovative and sustainable mechanisms be identified to increase the amount of institutional support funding available to the Centre. The Council recommended that member States increase their annual voluntary contributions to CAPSA. The suggested voluntary contributions, which would allow the Centre to fulfil its expanded mandate, could be comparable to commitments made by member States to other regional institutions of ESCAP, such as the Statistical Institute for Asia and the Pacific and the Asian and Pacific Centre for Transfer of Technology, and could be in the region of \$30,000 for developing and middle-income countries and \$7,000 for least developed countries. The Council also suggested identifying mechanisms for re-capitalization of the Centre and discussed the possibility of establishing a trust fund for that purpose in the amount of \$2 million to \$3 million to enable the Centre to deliver its services more efficiently and effectively. The Council requested ESCAP to make available to the Centre a share of the programme support funds generated through technical cooperation grants for projects implemented by the Centre. Some member States indicated their willingness to increase their in-kind support to the Centre for capacity-building events and workshops and for the associated travel and meeting costs of participants from least developed countries. It was suggested that the Centre should aim to attract funding from a broader range of countries and explore opportunities to

receive technical cooperation grants from non-traditional donors, such as the CGIAR Fund Council, as well as national foundations.

B. Activities and accomplishments of CAPSA

(Agenda item 5)

16. The Governing Council had before it the report on activities and accomplishments of CAPSA (MPDD/CAPSA/GC(8)/01, sect. IV). The document was introduced by the Head of the Centre.

17. The Governing Council was informed that the Centre now focused its activities on the three themes and three sets of outputs proposed in the Strategic Plan for 2011-2020,¹ which had been endorsed by the Governing Council at its seventh session.² In 2011, the Centre had closely aligned the work under its Capacity Development Programme 2011-2013 and its resource mobilization efforts with the Strategic Plan, enabling the Centre to become a knowledge focal point that facilitates South-South cooperation in the areas of food security, poverty reduction and sustainable agriculture. The Centre had been successful in securing a grant for the period 2012-2014 that would enable it to work in the core areas of its comparative advantage. In 2011, the Centre had organized two events:

(a) An international conference on investing in sustainable agriculture for food security and poverty reduction (Bogor, Indonesia, 27-28 July 2011). The distinguished speakers had included Mr. H. Suswono, Minister of Agriculture of Indonesia, and Mr. Joyo Winoto, Head of the National Land Agency;

(b) A five-day capacity-building workshop on agricultural policy research under the theme “Sustainable agriculture for poverty reduction and food security” organized by CAPSA at the request of the Department of Agriculture of Sri Lanka and held in Peradeniya, Sri Lanka, from 14 to 18 November 2011.

18. The Centre had also undertaken a number of activities in the area of information and database management to ensure that the information it provided was of high value to ESCAP member States.

19. Representatives of the following countries made statements: Indonesia; Malaysia; Papua New Guinea; Philippines; Republic of Korea; and Viet Nam.

20. In addition, a statement was made by the representative of JIRCAS.

21. The Governing Council commended CAPSA for the excellent achievements it had made during the reporting period, particularly the progress that the Centre had made towards establishing itself as an effective knowledge focal point for South-South dialogue on poverty reduction, food security and sustainable agriculture, and the steps it had taken towards developing a comprehensive approach to capacity-building for agricultural policy analysis in the region. A number of countries indicated an interest in and support for co-organizing and convening capacity-building events, and in co-sponsoring training workshops and providing cost-sharing for participants from least developed countries, as well as providing experts.

¹ E/ESCAP/65/25, annex IV.

² See E/ESCAP/67/4, annex III.

Council members expressed appreciation for the organization of the international conference on investment in sustainable agriculture for food security and poverty reduction. They regarded the conference as being of critical importance to the region and requested that the proceedings be given wide distribution.

C. Regional advisory services for food security and poverty reduction
(Agenda item 6)

22. The Regional Adviser for Food Security and Poverty Reduction introduced the agenda item.

23. Pursuant to Commission resolution 65/4 of 29 April 2009, CAPSA was making greater technical cooperation efforts to support capacity-building aimed at strengthening national food security programmes, research and development on sustainable agriculture, and regional cooperation in preventing and coping with food crises and ensuring that the people of the region had access to food. In that connection, the secretariat of ESCAP had provided CAPSA with human resources to enhance its capacity to fulfil its mandate. A Regional Adviser for Food Security and Poverty Reduction had been posted to the Centre to conduct advisory missions and short-term trainings, which were available at no cost to ESCAP member States.

24. Representatives of the following countries made statements: Indonesia and Thailand.

25. The Governing Council commended ESCAP for providing human resources to CAPSA. It further underscored and discussed the continuing need for in-house training of staff to strengthen current decision-making capacities, particularly on agricultural policy and analytical techniques. Responding to questions from Council members, the Regional Adviser clarified that the advisory services on food security and poverty reduction provided by ESCAP through CAPSA were demand-driven and could be requested through the Executive Secretary of ESCAP. The Governing Council requested that the Centre explore various options to provide in-house training on agricultural policy for staff in relevant ministries.

D. Proposed focus of CAPSA in the biennium 2012-2013
(Agenda item 7)

26. The Governing Council had before it the report on the proposed focus of CAPSA in the biennium 2012-2013 (MPDD/CAPSA/GC(8)/01, sect. V). The document was introduced by the Head of the Centre.

27. For the biennium 2012-2013, the Centre proposed to work on two key, interrelated areas. A grant of €2.5 million had been secured from the European Union for a multi-country programme called the Network for Knowledge Transfer on Sustainable Agricultural Technologies and Improved Market Linkages in South and Southeast Asia (SATNET Asia). The grant included provisions for research on innovation pathways and trade facilitation, the development of a “technology bank”, capacity-building events for change agents in 10 countries in Asia and policy consultations. In addition, the Centre had planned to organize a series of workshops for capacity-building in agricultural policy analysis but had not secured funding for those workshops. The Centre also proposed to restructure the existing database and develop a statistical database that would provide relevant, high-quality statistics for in-house research, as well as for agricultural research institutes and decision makers in member States. The Council was

informed of some of the successful and pending resource mobilization efforts for 2012 that involved an in-kind grant provided by the host country for renovation of the facilities. The Council was also informed of impending staff changes in 2012 aimed at reducing operational expenses.

28. Representatives of the following countries made statements: Indonesia; Papua New Guinea; Philippines; and Thailand.

29. In addition, statements were made by the representatives of the Food and Agriculture Organization of the United Nations (FAO) and JIRCAS.

30. The Governing Council endorsed the proposed work programme for the period 2012-2013 and recommended that the Centre continue to focus on creating a policy environment that would enable technology development, promote sustainable agriculture and address links among food, energy and water security. Council members discussed a number of suggestions for co-organizing international events, including events on sustainable soil management and food diversification. The view was expressed that the Centre should increase its activities in the Pacific subregion as a number of donors made funds available specifically for that subregion. The Council urged member States to inform the Centre about training, capacity-building, required policy-advisory services and opportunities for collaboration within member countries. The view was expressed that the Centre should clearly define specific modalities for collaboration, including the assignment and secondment of national experts. It was recommended that the Centre aim at diversifying its group of stakeholders, by involving a broader number of focus institutes and decision makers in the region, including through high-level policy consultations. Council members expressed their commitment to continue working closely with CAPSA in the area of technical cooperation grant development.

E. Date and venue of the next Governing Council session (Agenda item 8)

31. The Governing Council proposed that its ninth session be held in either Thailand or Indonesia, in February or March 2013, and back-to-back with a high-level policy consultation.

F. Other matters (Agenda item 9)

32. The Officer-in-Charge a.i. of the Macroeconomic Policy and Development Division reported on the outcome of the second session of the Committee on Macroeconomic Policy, Poverty Reduction and Inclusive Development, which had been held in Bangkok from 7 to 9 December 2011. The Committee had opined that Governments in the region needed to make sustained efforts to enhance agricultural productivity and had suggested that South-South cooperation on agricultural knowledge and technology transfer might assist in that regard (see E/ESCAP/68/4, para. 4).

33. The Head of CAPSA provided information on the upcoming election to the Governing Council of CAPSA for the period 2012-2015. The Governing Council was informed that the three-year term of current members would expire at the sixty-eighth session of the Commission, which would be held from 17 to 23 May 2012. Member States were informed that the nominations of their governments for membership in the Council should be received by the Secretary of the Commission by 16 May 2012, and that voting for the membership in the Council would be conducted during the

Commission session. The statute of the Centre³ stipulated that CAPSA should have a Governing Council with no fewer than eight but no more than 14 members.

G. Adoption of the report and closing

34. The Governing Council had before it a set of draft recommendations. The recommendations were adopted. The Chair made a closing statement, thanking all members for their participation, and then declared the session closed.

III. Organization

A. Opening, duration and organization of the session

35. The Governing Council of CAPSA held its eighth session in Yogyakarta, Indonesia, on 21 and 22 March 2012.

36. The Chair of the seventh session of the Governing Council thanked all representatives of member countries and international organizations for their presence. He expressed the commitment of the Government of Indonesia to continue supporting CAPSA.

37. The Regional Secretary of the Special Province of Yogyakarta, represented by the Head of the Agricultural Regional Office, delivered the welcome remarks. In his remarks he stated that the process of food production based on the exploitation of natural resources must change and embrace sustainable agricultural practices. He expressed his gratitude for the convening of the Governing Council session in Yogyakarta and his wish for successful deliberations.

38. The Officer-in-Charge a.i. of the Macroeconomic Policy and Development Division then delivered the message of the Executive Secretary of ESCAP. In her message, the Executive Secretary emphasized that the challenge of feeding the world efficiently and equitably was a considerable one and that countries in the Asia-Pacific region needed to collaborate in identifying sustainable approaches to achieve food security for all. She called upon member States to provide CAPSA with increased and more stable institutional support so that it could facilitate South-South cooperation and deliver more effective services to member States.

39. The Director of the Indonesian Centre for Food Crops Research and Development then delivered a welcome statement on behalf of the Director-General of the Indonesian Agency for Agricultural Research and Development of the Ministry of Agriculture. In his message, the Director-General emphasized that CAPSA could provide strategic links among countries in the region, and at the global level, which would help consolidate regional positions on approaches needed to meet the socio-economic challenges faced in Asia and the Pacific. The session was then declared opened.

40. The one-and-a-half-day session was concluded by a field trip to the Assessment Institute for Agricultural Technology during which groups of farmers were visited in Gunung Kidul district, Yogyakarta, organized by the Government of Indonesia through its Ministry of Agriculture.

³ Commission resolution 65/4, annex.

B. Attendance

41. The session was attended by representatives of the following members of the Governing Council: Bangladesh; Indonesia; Malaysia; Republic of Korea; and Thailand.

42. Representatives of the following members of the Commission attended as observers: Myanmar; Papua New Guinea; Philippines; and Viet Nam.

43. Representatives of the following United Nations body attended: Food and Agriculture Organization of the United Nations (Regional Office for Asia and the Pacific).

44. Representatives of the following organization attended: Japan International Research Center for Agricultural Sciences (JIRCAS).

45. Representatives of the secretariat of ESCAP attended the session.

C. Election of officers

46. The Governing Council elected the following officers:

Chair: Mr. Hasil Sembiring (Indonesia)

Vice-Chair/Rapporteur: Mr. Rangsit Poosiripinyo (Thailand)

D. Agenda

47. The Governing Council adopted the following agenda:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Report on the administrative and financial status of CAPSA.
5. Report on activities and accomplishments of CAPSA since the seventh session of the Governing Council.
6. Regional advisory services for food security and poverty reduction.
7. Proposed focus of CAPSA in the biennium 2012-2013.
8. Date and venue for the next Governing Council session.
9. Other matters.
10. Adoption of the report.
11. Field trip to the Assessment Institute for Agricultural Technology in Yogyakarta.

Annex I**Contributions in 2011: Institutional support (joint contributions)**
(United States dollars)

Country/area	Funds received in 2011
Bangladesh	1 000.00
Indonesia	85 602.68
Macao, China	3 000.00
Philippines	10 767.47
Republic of Korea	20 000.00
Sri Lanka	20 000.00
Total	140 370.15

Note: Funds received as at 31 December 2011.

Annex II

Statement of accounts: Institutional support and technical cooperation projects
(United States dollars)

	Donor	Balance carried over 31 December 2010	Contributions 2011	Expenditure 2011	Interest earned 2011	Return to donor 2011	Balance at 31 December 2011
Institutional support	Joint Contribution	140 712.71	54 767.47	121 960.80	1 903.72	-	75 423.10
	Government of Indonesia	132 229.39	85 602.68	103 450.51	2 029.17	-	116 410.73
Subtotal		272 942.10	140 370.15	225 411.31	3 932.89	-	191 833.83
Technical cooperation projects	Ministry of Agriculture, Forestry and Fisheries of Japan	13 118.67	-	9 793.94	42.82	3 367.55	-
Subtotal		13 118.67	-	9 793.94	42.82	3 367.55	-
Total		286 060.77	140 370.15	235 205.25	3 975.71	3 367.55	191 833.83

Note: As at 31 December 2011.