

April 22, 2004

Dear Francisco,

*Subject: FAO Comments on Science Council's Work Programme and Budget*

As you know, FAO will be represented at ExCo-6 by Ms. Isabel Alvarez, Chief, Research and Technology Development Service. However, I am writing in advance of the meeting to comment on one item to be considered by the Council - the work programme and budget proposed by the SC Chair.

FAO broadly endorses the submission. The work plan has been well thought out and will permit the Science Council to complete on-going activities and initiate new ones that respond to the broader mandate assigned to it by the Group.

I wish to comment specifically on the resource requirements for the proposed work plan. As you know, ExCo-5 endorsed a transitional financing arrangement for the Science Council and its Secretariat whereby FAO's contribution to the SC Trust Fund would be supplemented by the World Bank up to \$2.2 million for 2004. Under this arrangement and in keeping with its traditional practice as a CGIAR Cosponsor, FAO was to contribute \$800,000 (\$650,000 in cash and \$150,000 in-kind) with the balance provided by the Bank.

However, I have been advised by FAO's Office of Programme, Budget and Evaluation (PBE) that, owing to cost increases and the depreciation of the U.S. Dollar, the Euro amount to be disbursed by the SC Secretariat in 2004 will require dollar income 20.6% higher than the nominal figure approved by ExCo. I have shared PBE's guidance with the SC Chair.

FAO's own contribution will be augmented to reflect this 20.6% increase. More specifically, for 2004 the Organization will contribute a total of \$785,500 in cash to the SC Trust Fund and \$180,900 in-kind. This increase will be made on the assumption that the Bank's supplementary contribution would also be adjusted accordingly.

With best regards,

John

*John H. Monyo*  
*Assistant Director-General*  
*Sustainable Development Department*  
*FAO of the UN - 00100 Rome, Italy*  
*Tel: +39 06570 53037*  
<mailto:john.monyo@fao.org>