

The report of the Director-General on the work of FAO during 1948-49 describes the four major activities carried on by the Organization:—

(1) FAO has served as a world extension and advisory agency applying modern scientific knowledge for increased production, improved handling and processing, and better distribution of food and other farm, forest and fisheries products. Examples of such technical aid to governments include the fight against rinderpest and other deadly live-stock diseases; the control of insects and other destroyers of growing crops and stored grains; widespread distribution of seed of improved crop plants; soil conservation planning and demonstration; surveying of irrigation and drainage needs and possibilities of opening new lands to production; planning of farm mechanization programs; training of government statisticians; and assistance in formulating national goals in production, trade and consumption and in laying out plans to achieve them.

(2) FAO has brought governments together and worked closely with other agencies in organizing international action in these fields. Examples of this work include the setting up of the new International Rice Commission to deal with urgent problems of the whole rice economy, and the new Indo-Pacific Fisheries Council to help governments increase production of food from vast areas of sea and inland waters; the organization of regional forestry commissions in Latin America and Europe to promote and integrate forest development; work with the World Health Organization on the agricultural aspects of malaria control programs and with the United Nations International Children's Emergency Fund in its child-feeding program.

(3) FAO has compiled and published information relating to the production, processing, trade, prices and consumption of agricultural, forestry and fisheries products. Examples of this work include commodity bulletins, statistical year-books for agriculture and forestry and periodical statistical reports on agriculture and fisheries.

(4) Much effort also has been devoted to appraising the outlook for production and consumption and to problems of international trade in food and agricultural commodities vital to the welfare of large numbers of producers.

At the fifth session of the Conference of FAO meeting at Washington, Nov. 21 to Dec. 6, 1949, proposals contained in the Report on World Commodity Problems were examined. This Report was prepared by a panel of economic experts appointed by the Director-General. They had addressed themselves primarily to the problem of agricultural commodity surpluses caused by the inconvertibility of currency. The Report recommended the creation of an International Commodity Clearing House, with an international fund and power to buy and sell surplus agricultural commodities on special terms.

The Conference found that it was unable to recommend the establishment of such a clearing-house, declaring that the financial functions proposed "could be performed by the governments directly involved". It was pointed out that exporting and importing countries could devise provisions relating to the financial difficulties in the particular commodity involved, within the framework of individual commodity agreements. It was generally agreed that, where they are practicable, commodity agreements provide the best method for dealing with the current or prospective surplus commodity situation.

In addition, the Conference established a Committee on Commodity Problems to be under the supervision of and responsible to the Council of FAO. This is an advisory body created to give attention primarily to the food and agricultural