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منظمة
الاغذية والزراعة
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FAO REGIONAL CONFERENCE FOR ASIA AND THE PACIFIC

Thirty-third Session

Putrajaya, Malaysia, 7–11 March 2016

Agenda item 15

Decentralized Offices Network

Executive summary

- The decentralization process received significant institutional support from member countries during the 39th Session of the Conference, resulting in a request to review FAO decentralized offices worldwide. A document (CL153/14 Rev.1)¹ was duly prepared, which has subsequently been reviewed, discussed and endorsed by the joint meeting of the Programme and Finance Committees, as well as by the Council. Both bodies recommended that the document be reviewed and discussed during the Regional Conferences, in order to be finally reviewed by the Council during its session of June 2016.

Suggested actions to be approved by the Regional Conference

- Recognize the need to update the coverage of FAO offices in the region, in order to adapt to current developments and requirements, and achieve greater efficiency in the implementation of Strategic Objectives.
- Support the proposed principles and general criteria for reviewing FAO coverage.
- Provide guidance on options that are presented in section IV for changes in the region.

¹ <http://www.fao.org/3/a-mo696rev1e.pdf>



Please send any questions on this document to the Secretary for APRC-33, David.Dawe@fao.org

I. Background

1. The 39th Session of the Conference requested that an independent review be undertaken of the decentralized offices network and that its findings be submitted to the 153rd Session of the Council (November-December 2015) through the joint meeting of the Programme and Finance Committees.
2. The resulting decentralization document (CL153/14 Rev.1) builds directly on five independent regional evaluations of FAO's decentralization.
3. The recommendations of the regional independent reviews suggest a number of general criteria that include:
 - i) Ensuring FAO country presence remains the guiding principle for FAO decentralization and the structure of the Organization's network in the field.
 - ii) Regional and Subregional Offices should be located in areas that have shared knowledge and experience, enabling efficient work with partner entities, and have good transport links.
 - iii) Prioritize expenditure in areas that provide a greater contribution to FAO results. Low and lower-middle-income economies should be higher priorities for these expenditures over high and upper-middle-income economies.
 - iv) Given the great diversity between offices, it is suggested that there should be a method of recognizing the degree of management complexity and responsibility of each of the offices and of differentiating management decisions based on the corresponding staffing levels.
 - v) Prioritize FAO country presence and Regular Programme support in low-income and food-deficit countries, and move increasingly towards cost-sharing offices in high or upper-middle-income countries.
4. These options are clear and straightforward, based on changes that can be justified on what they share with other Organization reforms that are in progress. Most of the changes fall within the responsibility of Management, however in all cases the approval of governing bodies has been sought. Even when in the past it has been difficult to reach a consensus on these issues, the process has become easier once the Members recognize the importance of implementing these changes and give their opinion through the governing bodies. These opinions, which promote change, may be based on the recommendations from the five independent regional evaluations, or on additional data presented in the decentralization document cited above. Once the submitted options are approved, FAO office coverage will be updated to fulfil the objectives and results that the Member States have assigned to the Organization.

II. Common themes of the five regions

5. When discussing coverage, it is useful to highlight the combined budget of the Organization, in which approximately 40 percent of the total comes from assessed contributions of Member States and approximately 60 percent from voluntary contributions. At a country level, assessed contributions cover the basic office expenditures and essential core staff. This includes a single international staff

member, an FAO Representative (in countries where there is one), generally one or two national professional officers (NPO) and some administrative officers. All other project activities, with the exception of Technical Cooperation Programme (TCP) resources, are funded by voluntary project-specific contributions. These projects require technical and operational support, provided by the country office and by the subregional, regional and headquarters units, which are funded primarily by assessed contributions on a cost recovery basis.

6. As a consequence, some country offices are very large, with staff, budgets and volumes of transactions that are in some cases even larger than that of Regional Offices, while others are much smaller in size.

7. Delivery is important, in the sense of the volume of expenditure in a given country or by a given office, but results represent much more than delivery. In some countries the role of FAO is more focused on policy advice or facilitation of South-South Cooperation, while in others it is more focused on helping the government to coordinate programmes and external funding that FAO does not manage directly. In these instances, accountability requires a structure that goes beyond the exclusive use of project contributions, along with an appropriate management hierarchy of information, monitoring, reporting and oversight.

8. The world has evolved politically and economically since the first FAO offices were set up. The growth of middle-income countries is another of the most noticeable trends, as well as the growth of high-income economies in Latin America and the Caribbean, along with an increasing number of protracted crises.

9. As identified in the new Sustainable Development Goals (SDG), this reality reflects the fact that the world's most significant challenges are truly global in nature. FAO's normative work and global public goods need to be seen as integral parts of its work in support of policy change and implementation, national capacity development and support to countries in their efforts to address the challenges. Putting all this together requires making the best possible use of the combination of centralized and decentralized support, along with the optimal facilitation of partnerships and knowledge sharing.

III. Recommendations as the basis for implementing change

10. There are a number of principles that should guide the discussion of options for change. Changes should take into account the drivers that determine the context of international cooperation and influence the way FAO negotiates with countries. These include:

- i) the development of the FAO Strategic Framework and focus on results at country level, as well as the implementation of Sustainable Development Goals (SDGs) as a unified, inclusive and sustainable development framework.
- ii) the funding instruments that may be attached directly or indirectly to the SDGs, including the Climate Change Fund.
- iii) the increasing importance of South-South Cooperation as a major vehicle for fostering technical cooperation.
- iv) the importance of establishing partnerships with international, regional and national organizations, civil society and the private sector.

11. These factors will put additional pressure on FAO for integration at all levels to be closer to Member States.

12. In order to fulfil these roles, ensuring FAO country presence, through various means, should remain the guiding principle for FAO decentralization and the structuring of the FAO network.

- Wherever possible, all developing countries should have an accredited FAO Representative, who may or may not be resident, depending on the level and outlook of the programme and the specifically signed agreement with the relevant Member State.
- Wherever the FAO Representative is not resident, appropriate provisions should be in place to ensure the continuity of dialogue with the government and that the country has full access to FAO's knowledge, support and services that it may require. This will inevitably represent an evolving picture and FAO coverage should be reviewed periodically, perhaps every other biennium, based on an assessment of the delivery and the prospects for programme development.

13. A number of the changes proposed, or that are currently being implemented, are more general in nature and apply to all regions and subregions. Most of the changes currently under current implementation have to do with the responsibility of the country and Regional Offices in formulating, implementing, monitoring and reporting on the Strategic Framework. These changes relate directly to questions of coverage, given the new way in which all the offices are linked in the results framework, and the importance of the Regional Initiatives as one of the mechanisms to better organize and deliver headquarters, regional and subregional support to country programmes in key priority areas.

14. Given the high degree of variability among country offices, a general proposal is to recognize the degree of management complexity and responsibility of specific country offices, and consequently differentiate management decisions on grades and staffing of country offices accordingly.

- i) For those countries above a given level of delivery, such as above USD 8 million per year, the offices will be eligible for special consideration.
- ii) For those countries below a given level, such as below delivery of USD 1 million per year, with due consideration for other responsibilities of some offices as discussed above, some of these low-delivery countries may need to come under multiple accreditation, meaning they would not need a resident FAO Representative (FAOR), or make other management decisions regarding the level of staffing of the office.
 - a) Another option for these countries may be to downgrade the post of a new FAO Representative with preference given to experienced national assistants of the FAO Representatives as they transition to international staff responsibilities.
 - b) Another option may be to send existing technical staff as FAORs who will work primarily as technical officers, linked to the subregional multidisciplinary team, while at the same time building up the country programme. This outposting could be for longer or shorter periods of time, depending on the specific requirements of each country.

15. Another more general change is to prioritize FAO presence and Regular Programme support in low-income food-deficit countries on one hand, and to rely increasingly on cost sharing for offices in high or upper-middle-income countries. Similarly, in terms of the impact of climate change, the Small Island Developing States (SIDS) and particularly those in the Pacific require special priority.

16. In all cases, the size and scope of FAO presence must be flexible and timely, taking into consideration the economic status of the country, the existence or likelihood of crisis situations, the location and resilience of other partners, and the need for FAO support.

IV. Options for Change for Asia and the Pacific and Suggested Action by the Regional Conference

17. Bangkok is the airline hub of the region, it is home to ESCAP, the UN Economic and Social Commission for Asia and the Pacific, and hosts other UN agencies' regional offices. The network of country offices is well established, with a broad range of delivery volumes and other characteristics

that appear appropriate to the country contexts. The office in Apia, Samoa (SAP) services a clearly defined subregion.

18. Several country offices have been strengthened in recent years, to a large extent in line with suggestions in the decentralization evaluation of this region. This includes adding assessed contribution-funded international staff in Papua New Guinea, the Democratic People's Republic of Korea and Mongolia. National-level Assistant FAO Representatives were provided for two countries (Tonga and Vanuatu) and the host country agreements have now been finalized to place an Assistant FAOR (AFAOR) in each of Fiji and Solomon Islands.

19. In medium and high-income countries that have major cooperation programmes with FAO, partnership and liaison offices are a very interesting and valid option for elevating the status of current FAO Representation. Partnership and liaison offices guarantee that FAO cooperation programmes can depend on more predictable and long-term resources, generate greater synergies between planned activities and boost the mobilization of additional resources from other donors interested in strengthening country cooperation programmes with FAO. Discussions are underway with the Republic of Korea, Indonesia and Malaysia to open a Partnership and Liaison Office.

20. Coverage is a significant challenge in the Pacific, given the number of countries in the subregion (14) and the enormous geographical area that it covers. This also places considerable strain on the staff based in Samoa. Adjustments in the subregion remain a top priority, as they were in the regional evaluation.

21. Currently FAO has a physical presence in six countries in the Pacific subregion (Vanuatu, Solomon Islands, Fiji, Papua New Guinea, Samoa and Tonga). This represents a presence in all four Melanesian countries (the first four listed) and two of the six Polynesian countries (Samoa and Tonga) but no presence in the five Micronesia countries (Marshall Islands, Nauru, Kiribati, Palau and the Federated States of Micronesia).

22. Papua New Guinea has clear links to both Asia and the Pacific and is expected to play a larger role in providing support to smaller countries. It is already supporting mangrove restoration in Samoa, Tuvalu and Tonga and has recently announced a new USD 150 million programme to support Pacific countries. It is also significantly closer to some of the SAP countries.

23. The Conference is invited to examine and analyze the following key recommendations for debate at the Council:

- Upgrade the FAO office in Papua New Guinea to a fully-fledged FAOR.
- Have the FAOR Papua New-Guinea (PNG) accredited to the nearby countries of Vanuatu and Solomon Islands. This would be the first instance of reducing the number of accredited countries in the Pacific covered by the Subregional Coordinator, a recommendation of the Asia and Pacific Evaluation that has so far not been acted upon. The FAOR PNG would report to the SAP Subregional Coordinator, as in other subregions.
- Outpost a SAP Forestry Officer to Papua New Guinea and consider doing the same for a Fisheries Officer, depending on demand.
- To overcome the isolation of the North Pacific, it is proposed to create the post of Assistant FAOR (Programme) in one of the Micronesian countries who would provide at least desk support for Palau and the Marshall Islands. One option would be for the AFAOR to be colocated with the Secretariat of the Pacific Community (SPC) suboffice in the Federal States of Micronesia.