

Managing FAO in turbulent times

From 1994 to 2011



Food and Agriculture
Organization of
the United Nations



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FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Rome, 2011

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Abbreviations

ADAM	Agricultural development assistance mapping
CAT	Computer-assisted translation tools
CCA	Common country assessment
CCT	Culture change team
CEB	Chief Executives Board of the United Nations system
CFA	Comprehensive framework for action
CGIAR	Consultative Group on International Agricultural Research
COIN	Country office information network
CPT	Common procurement team
CSO	Civil society organization
DAC	Development Assistance Committee (OECD)
EMPRES	Emergency Prevention System for transboundary animal and plant pests and diseases
EOD	Entry on duty
EPFL	European Professional Football Leagues
ERP	Enterprise resource planning
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FAS	Field accounting system
FMM	FAO's Multipartner Programme Support Mechanism
FPMIS	Field programme management information system
GSBD	Governing and statutory bodies database
HR	Human resources
HRMIR	HR management information and reporting
HRMM	Human resource management model
ICT	Information and communication technology
IEE	Independent external evaluation
IFAD	International Fund for Agricultural Development
IFI	International financial institution
IFPRI	International Food Policy Research Institute
IPA	International Plan of Action for FAO Renewal
IPSAS	International public sector accounting standards
JAC/FAOR	Joint Advisory Committee on FAO Reform
JPP	Junior Professionals Programme
LAN	Local area networks
LAN	Local audit programme
LDC	Least developed country
MDC	Management development centre
MDG	Millennium Development Goal
MDLP	Management Development Leadership Programme
MDTF	Multi-donor trust fund

MDT	Multidisciplinary team
MSS	Management support service
MSU	Management support unit
MTCO₂E	Metric tonnes of CO ₂ equivalent
MOSS	UN minimum operating security standards
NARS	National Agricultural Research System
NGO	Non-governmental organization
NMTPF	National medium-term priority frameworks
NPFS	National programme for food security
NPO	National professional officer
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
OIE	World Organisation for Animal Health
PEMS	Performance management system
PRWS	Permanent representatives web site
PSMS	Pesticide stock management information systems
RBA	Rome-based agencies
RBM	Results-based management
RBR	Root and branch review
SFERA	Special Fund for Emergency and Rehabilitation Activities
SRO	Sub-regional office
SSC	Shared services centre
SSC	South-South cooperation
TAD	Transboundary Animal Disease Information System
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	UN Development Programme
UNSAS	UN system accounting standards
UTF	Unilateral trust funds
VOIP	Voice over IP
WAN	Wide area network
WAICENT	World Agricultural Information Centre

Preface

For the past 18 years I have had the honour of leading the Food and Agriculture Organization of the United Nations (FAO), one of the most important specialized agencies of the United Nations system, tasked by the international community with the fundamental mandate of fostering agricultural development and combating hunger worldwide.

There are many publications that deal with what FAO does in achieving its mission. Now, with this book, we can finally tell the story of how FAO operates, from the point of view of internal management decisions. How did we change the management of the Organization, the physical resources, the financial resources, in order to achieve our goals? How did we use more modern tools? How did we adapt to the changing economic and financial situation in the world?

In reality, this was all part of our work. These management decisions were taken to ensure that FAO would be in a better position to help Member Nations and the global community realize the vital goal of universal food security. On arriving in 1994, I engaged in a comprehensive and consultative exercise to review the Organization's priorities, assess its existing structure, and evaluate its working practices, to enable it to become an agricultural centre of excellence facilitating access to knowledge worldwide.

FAO's normative and operational work was refocused around a central theme of food security. We worked in partnership with Members to achieve sustainable development, assisting in building their capacity to improve agricultural production and their resilience in facing emergencies, including, for example, preventive action against transboundary animal and plant pests and diseases and responsible use of scarce water resources. In addition, we enhanced the Organization's normative activities, its critical agricultural databases and early warning systems, initiated the Special Programme for Food Security and fostered South-South Cooperation.

This was coupled with a plan for better corporate governance that called for decentralizing operations, streamlining administrative and financial procedures, improving planning and budgeting, modernizing information and communications systems, and improving audit arrangements, while continuously striving for increased savings and efficiency gains through reduced input costs, process improvements and better cost-recovery measures.

The end result is an organization that is more horizontal, flatter and less hierarchical, with a results-based structure more aligned to set objectives. Managers, both at headquarters and in decentralized offices, work with greater delegation of authority and responsibility, and stronger accountability.

I will leave the organization in which I spent a significant part of my life with some frustration, but also with a great deal of satisfaction. The vision I had 18 years ago is close to reality. I can see it. Today, we have a transformed and renewed FAO that is leaner, more focused and fitter for the twenty-first century; an FAO in which Members, management and staff all work closely together as one team towards the goal of eradicating hunger and extreme poverty from the world.



Jacques Diouf

FAO Director General, 1994–2011

Introduction

In January 1994, Jacques Diouf of Senegal gave his first speech as Director-General of the Food and Agriculture Organization of the United Nations (FAO) to the 106th Session of the FAO Council (30 May–1 June 1994). He referred to FAO as a “centre of professional uniqueness”, yet recognized it as an organization confronted with two major challenges: “firstly, to eliminate the unacceptable situation whereby currently 800 million people do not have adequate access to food while overall there is enough to feed everyone, and secondly, to ensure that the world will produce in a sustainable way enough to feed 9 000 million people in the year 2030.”¹

Mr Diouf led FAO for the next 18 years with a mandate twice renewed by the Member Nations (2000 and 2006). During those 18 years global population increased by more than 1.2 billion² and climate change made its presence known. These changes left the world facing increased demand for food, yet impacted the agriculture sector’s ability to meet this demand. In addition, FAO also had to face a new global governance environment, as well as a changing natural environment. These changes encompassed political shifts, transformation of the international economic system, declining aid flows to agriculture, liberalization of agricultural trade, growing pressure on natural resources, emergence of new actors on the development scene, increasing numbers of food emergencies, and revolutionary innovation technologies in the fields of communication and information. Confronting this reality meant adapting the Organization’s management.

In 2011, as he gave his final speech to the FAO Conference, Mr Diouf spoke of FAO living through “exciting times”, working to tackle the dual task of dealing with emergency situations and longer-term food security issues, while at the same time, undergoing one of the most profound and comprehensive reforms in the history of the United Nations system. From the beginning, his vision focused on reviewing the priorities, assessing the structure, and evaluating the working practices of the Organization in order to enable FAO “to fulfil its mandate and become an international agricultural centre of excellence that facilitates access to knowledge worldwide.”

Mandate to eradicate hunger

FAO is the United Nations’ largest specialized agency, mandated to work toward the eradication of global hunger and malnutrition, while also undertaking to better the lives of rural populations and protect the Earth’s natural resources. Under this mandate, FAO has developed wide-ranging experience and expertise in the fight against poverty and hunger, and the effort to ensure environmental sustainability. It has supported the development and implementation of policies needed at all levels and in all sectors of society to

¹ CL 106/REP App. E

² *World Population Prospects: The 2010 Revision*, UNDESA, 2011.

**PHOTO 1**

Rice farmer dries rice seeds in the sun, Saint-Marc, Haiti.

ensure the mobilization of necessary resources to keep issues of agriculture and food security on the global agenda. The fact that hunger and malnutrition are a predominantly rural phenomenon, and that farming constitutes the principal livelihood of 70 percent of the world's poor, puts agriculture and FAO's activities at the centre of global efforts toward achieving food security.

■ Global trends and challenges

FAO was founded in Quebec City, Canada, in 1945 and moved its headquarters to Rome, Italy, in 1951. From an initial membership of 42, it now has 191 Member Nations, two Associate Members and one Member Organization (the European Union) and works through five regional and 11 subregional offices, with representation in 73 countries. Although traditionally funded through assessed and voluntary contributions from its Members, FAO increasingly receives funding support from foundations and the private sector. In order to increase the responsiveness and relevance of the services it offers to its Member Nations, FAO has consistently decentralized its activities to the regions where it works.

Throughout its more than 65-year history, FAO has confronted, and been confronted by, ongoing challenges at national, regional and global levels. The world is becoming globalized, more interconnected and, consequently, issues affecting agriculture and nutrition and the lives of rural people are becoming more complex. As such, FAO has had to expand its scope to include the Millennium Development Goals (MDGs) and issues such as climate change, urbanization, transboundary issues, natural resource degradation and dietary transitions, as well as social issues that encompass gender, marginal peoples and youth. The demands for FAO's services from its members have also continued to expand, and the Organization has continuously evolved to meet these emerging needs and challenges.

Yet, despite the increasing complexity of these issues and the institutional environment, most of the development sector's attention turned primarily to providing health and education and other social services. Public resources devoted to agricultural development have thus decreased significantly. In fact, the share of aid to agriculture in total foreign aid

increased until 1982–1984, but then declined on a continuous basis for the following 20 years. This decline evened out somewhat from 2003–2005, and aid levels began to rise again during 2006–2008³ Meanwhile, domestic public spending in the agricultural sector also began to decline in the 1980s, especially in agriculture-based economies, and notably in Africa (FAO, 2011).

During this period FAO was a strong advocate for increased investment in agriculture for sustainable food security. Already in 1996 the Organization launched the first World Food Summit, followed by a series of international events including the 2002 World Food Summit, the 2008 High-Level Conference on World Food Security and the 2009 World Summit on Food Security, which succeeded in bringing agriculture and food security back to the top of the international political agenda.

In parallel, the 2005 *Paris Declaration on Aid Effectiveness* and its follow-up, the 2008 *Accra Agenda for Action*, represented two important milestones in international development. Through these agreements, donors determined to give priority to interventions that supported developing countries in formulating and implementing their own development initiatives, while also tying their financial resources to results. However, this took place at a moment in time when agriculture and related fields had become overcrowded by other UN organizations, NGOs, foundations and private sector entities, whose mandates and focus areas overlapped with those of FAO.

However, despite tireless efforts to keep agriculture high on the international agenda, FAO was deeply affected by these trends. The Organization suffered its first significant budget reduction during the 1996–1997 biennium, followed by two additional reductions in 2004–2005 and 2006–2007, leading to a cumulative reduction in resources of 21 per cent in real terms. These challenges increasingly threatened the capacity of the Organization to deliver needed services to its members and to achieve its vision of a world without hunger.

■ Initiating and implementing reform

Upon becoming Director-General in 1994, Mr Diouf recognized that the combination of increased complexity, continued demand and diminishing finances required the Organization to become more efficient and effective, and to seek additional extra-budgetary resources to continue to deliver on its mandate. Thus, he initiated a series of reforms aimed at improving the internal processes and structures of the Organization to enable it to do more with less – reforms that continued throughout his tenure as Director-General. For example, during the 1994–95 biennium FAO initiated, with the approval of its Governing Bodies, a comprehensive reform focusing on priorities, programmes, structure and decentralization.

Another important reform programme was launched in 2004, following the Chief Executives Board for Coordination (CEB) retreat at the Greentree Foundation in October 2004. This resulted in broad changes approved by the Conference in November 2005 and

³ IFPRI, 2010. N. Islam, *Foreign Aid to Agriculture. Review of Facts and Analysis*, IFPRI Discussion Paper 01053, January 2011.

the Council in November 2006 and June 2007. This major reform process gained further support through the recommendations of an Independent External Evaluation (IEE) carried out in 2005-2007 which was followed by an Immediate Plan of Action (IPA) in 2009. These reforms, some of which are still being implemented, touch various areas across FAO, from technology to administration, human resources, internal organization and external communication. Major internal changes introduced since 1994 have included: substantial cuts in the number and cost of permanent and temporary staff; implementation of efficiency savings; successive restructuring at headquarters and increased decentralization; new approaches to strengthen cooperation with and between developing countries, including technical assistance and capacity building through South-South Cooperation agreements; improved cooperation with financing institutions and Rome-based UN organizations; improvements in information systems, communication technology and knowledge diffusion; changes in financial management and oversight; and measures to improve FAO's working environment and physical facilities.

The journey towards efficiency and increased performance has required FAO to implement a new business model, characterized by flatter management structures and increased delegation of authority. Despite the challenges of the last 20 years, these reforms have enabled FAO to adapt to the changing context in which it has been operating since 1994. Today the Organization's structures are more streamlined, its working methods more effective and better focused on results, and its various activities better coordinated. It has developed working partnerships in many areas with sister UN organizations, civil society and the private sector, and it is better equipped to deliver its mission in the twenty-first century.

Managing change and innovation

This publication, *Managing FAO 1994–2011: Adapting to a Changing World* collects in a systematic way all the major changes and innovations that have been implemented at FAO during the period 1994–2011, and illustrates the journey the Organization has taken to improve results, efficiency and effectiveness. The book is designed to be a reference on the challenges and opportunities inherent in managing an international organization in the twenty-first century.

The book is organized around four chapters. Chapter 1 sets the scene, highlighting the internal and external challenges faced by FAO at the time of Mr Diouf's appointment in 1994, and reviews the global-level context at that time. The next three chapters are devoted to his three mandates, and a concluding chapter links the FAO of 1994 to the FAO of 2011.

Timeline of main internal changes

1994

Global audit
Installation of air-conditioning system
Upgrading of electrical system to European Safety norms (CE 64/8)

1995

Installation of Local Area Networks (LANs)

1996

World Food Summit
Policy on prevention of harassment
Digitalization of internal printing

1997

Launch of TeleFood programme

1998

Non-smoking policy

1999

Implementation of new financial systems
Adoption leave
Introduction of Computer-Assisted Translation Tools (CAT)
Strategic Framework for FAO 2000–2015
Launch of Goodwill Ambassadors programme
Policy on flexible working arrangements
Construction of Security Access Pavilion

2000

Introduction of Integrated Occupational Health Information System
Implementation of Oracle Financials
Started the implementation of energy-saving measures

2001

Migration to Microsoft Word
Implementation of policy on breastfeeding

2002

Introduction of Personal Service Agreement (PSA) contractual instrument
World Food Summit: five years later



2004

Introduction of spouse employment policy

2005

FAO Vision for the 21st Century

Introduction of policy on paternity leave

Implementation of Human Resource Management Model (HRMM)

Introduction of policy on Mediation

2006

Opening of Shared Services Centre (SSC)

Complete differentiated collection of wastes

2007

Independent External Evaluation

Second phase of ERP implementation

2008

Implementation of Automatic Emergency Power Break System

Establishment of a Greening Taskforce

Creation of the High Level Panel of Experts on Food Security and Nutrition (HLPE)

High-Level Conference on Food Security

Implementation of Performance Evaluation Management System (PEMS)

2009

Adoption of the Special Operations Allowance

World Summit on Food Security

2010

Introduction of the Junior Professional Programme (JPP)

Creation of the FAO/WFP/IFAD Common Procurement Team (CPT)

2011

CHAPTER 1

Challenges: the global situation in 1994



I arrived at a time when the world was going through rapid changes, at a time when because of the fall of the Berlin Wall and the end of the East-West conflict different forces were at play to end an old order and create a new one, and that period saw serious attacks on the UN system, and naturally FAO was not immune to those attacks. It was also a period during which we saw overseas development assistance reduced to its lowest level since World War II.



Jacques Diouf
Director-General, FAO

When the world entered the final decade of the second millennium, the Berlin Wall no longer stood as a symbol of the divide between East and West. Its fall not only paved the way for German reunification, but also set in motion events that removed the Iron Curtain both figuratively and physically from the world scene. It led to the independence of countries both in and around the Soviet Union, and the emergence of fledgling democracies in Central and Eastern Europe. These events also implied that the justification for the long-running arms race between the world's two major blocs no longer existed.

In spite of the seemingly peaceful promise of these events, ethnic violence in the former Yugoslavia and areas of the former Soviet Union, and conflicts in Cambodia, Afghanistan, the Near East and in countries throughout Africa including Mozambique, Liberia, the Sudan, Somalia and numerous other spots around the globe, highlighted the international community's need to provide more than technical development support. It raised the bar on the need for emergency support for countries devastated by conflict as well as natural disasters, thereby changing the rationale for international assistance. As a result, a significant percentage of official development assistance (ODA) was earmarked for short-term support to handle the rash of new conflicts and disasters – percentages that continue to rise.¹

The end of the Cold War had another outcome. It reduced the competitive pressure on the superpowers to expand aid, and overall aid levels dropped over 25 percent in real terms between 1992 and 1997. FAO was therefore facing new and imminent needs for its expertise and services at a time when traditional funding avenues were changing.

¹ Saouma, E., 1993. *FAO in the Front Line of Development*. FAO, Rome.

■ Three phases of FAO history

When FAO was established in 1945, for all practical purposes it was intended to be the world's ministry of agriculture, charged with providing effective governance of the global agricultural system. An independent external evaluation of FAO, conducted in 2007, reported that FAO was, at its outset, *sui generis*, a unique, one-of-a-kind agency with no competitors. The evaluation identified three phases in the Organization's history.

1945–1970. The first phase spanned 1945–1970 when FAO was the sole source of global expertise in nutrition and food and agricultural issues. By 1951, within just six years of its founding, FAO had established 100 projects in 35 countries involving over 200 scientific and technical professional experts from 32 countries.² By September 1959, over 1 700 experts had served in the field, 1 600 fellowships had been awarded, and 100 training centres organized. In 1964, FAO and the World Bank established a joint funding arrangement, known as the Cooperative Programme, which included project identification, preparation, appraisal and supervision, and arranged technical assistance for implementing World Bank-financed projects.³

In 1970, the United Nations Development Programme (UNDP) took over the Expanded Programme for Technical Assistance (EPTA), a programme created in the UN secretariat along with the UN Special Fund, which was used for pre-investment projects for developing countries. Under this arrangement, specialized agencies, such as FAO, were to be given first consideration in execution of UNDP-funded programmes.

1970s. FAO's second phase continued through the 1970s and spilled over into the 1980s. During this period, a number of new agriculture-focused development institutions were launched and existing institutions expanded their mandates to the point where they overlapped with FAO's area of interest. Yet, FAO remained the key source of agricultural expertise for developing countries, largely due to its UNDP funding. Bilateral and multilateral funding for agricultural development assistance expanded rapidly through the 1970s with a new focus on rural development, which brought other sectors, such as health, education and infrastructure, into the same funding pool. Also in this period, the 1972 Stockholm Conference became the first global event to focus attention on environmental issues, strengthening the position on the global agenda.

² Murphy, C. 2006. *United Nations Development Programme*. Cambridge University Press. Cited in Independent External Evaluation, 2007, p. 54.

³ Independent External Evaluation, FAO, 2007.

1980s–1990s. FAO's third phase began in the 1980s at a time when the entire United Nations system was facing financial challenges. Some of the major donor governments had expressed disappointment in the outcomes of the United Nations' collective action efforts, and moved towards funding bilateral activities, with some Members delaying payment of their annual assessments. In the case of FAO, assessment arrears reached US\$170 million by 1989 and, two years later, had increased to US\$197 million. This deficit was further complicated by the fact that UNDP, the major provider of extrabudgetary funds, was changing its programme.

Up until the late 1980s and early 1990s, UNDP funded all of its agricultural projects through FAO. Under this system, 60 percent of FAO's programme was funded by UNDP. However, in the early 1990s, UNDP went in a new direction, supporting national execution of projects, at the expense of FAO. This led to a steady decline in programme funds from UNDP, and by 1999 UNDP funding represented only 14 percent of FAO's field programmes. However, the FAO field programme did not decline thanks to an increase in trust fund donors, who supported FAO's field efforts through general or country-specific projects, or general contributions.

This was the situation in 1994 when Jacques Diouf was elected FAO's Director-General. The *sui generis* of FAO had ended, as had its connection with UNDP funding. Some of its most powerful Member Nations were withholding their assessments and calling for increased efficiency and cost-effectiveness. The next years would be characterized by efforts to cope with budget cuts and do more with less. During these years, FAO would have a mandate greater than resources at its disposal, and thus continually focused on finding ways to reduce expenses without decreasing services to its Members: streamlining administration, decentralizing, delegating and moving services offshore.

■ Building from early lessons

Despite the fact that its Member Nations and other donors recognized FAO's strengths in supporting world agriculture, as well the importance of its increasing focus on global economic issues and trade, an objective analysis undertaken in 1995 of FAO's first 50 years revealed certain lacunae and weaknesses, which the reform process needed to address. The analysis determined the need to set clearer priorities, incorporate cross-sectoral issues such as gender and people's participation into mainstream activities, and clarify the complementarity of its normative and operational activities.

During the mid-1990s, FAO's organizational structure remained centralized, with a large proportion of staff based at headquarters and therefore far from the complex problems experienced in the field. Outdated office and communication technologies and approaches to human resource management prevented the Organization from being more efficient and effective in its operations.

The analysis also found insufficient recognition of increased national management capacities in agricultural development and that FAO had failed to take

PHOTO 2

The FAO office in Kigali, Rwanda, late 1994.



advantage of local expertise and human resources to improve its effectiveness through capacity building and cost reduction. Dialogue was insufficient among Member Nations and between Member Nations and FAO's Secretariat. Moreover, the planning process was limited to the two-year budget cycle and a four-year Medium-Term Plan, and therefore lacked strategic vision.⁴

⁴ FAO. 2007. *Reforming FAO into the new millennium*. Rome.

CHAPTER 2

1994–2000 From challenges to action: milestones of change at FAO



Challenges are opportunities for the Organization to be more focused, more effective in collaboration with all interested partners, achieve greater impact and be more cost-effective ... The simplification and computerization of procedures, a broader delegation of authority and a reduction in clearance requirements should enable the Organization to be more efficient. Accountability will be strengthened. Training and refresher courses will be organized. The hierarchical structure will be flattened.



Jacques Diouf
Director-General, FAO

In 1993, the FAO Conference authorized the newly elected Director-General to undertake a review of the programmes, structures and policies of the Organization⁵ with “all necessary speed”. Reform of FAO had become a necessity, not only in response to the changing global context, but also to accommodate changes in the Organization’s internal environment. The dilemma was that Members sought a wider range of services and programmes, while the Organization’s resources and capacity had been negatively affected by a declining budget.

Building on the momentum for change, with his entry into office on 1 January 1994, the Director-General proposed a significant series of reforms for the following years. In his first speech to the FAO Conference, in 1995, he called for a review of FAO’s priorities, programmes and strategies in order to better place the Organization to serve its Member Nations by increasing its global outreach, improving resource management and enhancing its efficiency. The adopted strategy focused on building on the strengths of the Organization, while identifying and overcoming its weaknesses. A review of FAO’s operations identified a range of strengths, including expertise and experience in working towards the goals of its mandate, its ability to take a global view of problems, and its capacity to identify and argue for common solutions, independent of specific ideological or national perspectives. In 1994, FAO already had an impressive worldwide networking capacity, as well as a dedicated and competent staff able to reach the most remote areas of the planet and provide technical assistance.

⁵ CR 10/93. 22 November 1993, CR 27 (<http://www.fao.org/docrep/x5586E/x5586e08.htm#budget%20level>).

■ Blueprint for change

In May 1994, the Director-General presented a blueprint to the FAO Council for charting FAO's immediate and future courses of action.⁶ The blueprint focused on closer relevance to needs, greater efficiency and a reinvigorated FAO to serve its Member Nations in a context of broader partnerships. This proposal of reforms consisted of three main areas: shifts in programme priorities, changes in organizational structure and progressive decentralization. These are explained in more detail below.

Shifts in programme priorities

The Director-General examined FAO's priorities and programmes in the field of food security with particular attention to those countries that faced the most severe constraints in ensuring adequate food supplies for their populations. This reappraisal confirmed that improved food security should be reaffirmed as FAO's top priority. In this regard, FAO launched the Special Programme for Food Security (SPFS), which promoted practical demonstrations of effective practices for small farmers to boost production in low-income, food-deficit countries (LIFDCs). Through concrete projects in the field, particularly pilot projects, FAO could transfer the knowledge acquired over a period of 50 years and use it as a basis for much larger projects at country or regional level. The SPFS initially focused on Africa, where the incidence of food insecurity was more acute, but rapidly expanded in other regions. The scope was subsequently broadened in several phases to encompass policy assistance in the formulation of comprehensive food security strategies at national and regional levels.

The second strategic thrust consolidated the work undertaken by FAO in connection with major threats to crops and animal production systems, leading to the launch of the Emergency Prevention System (EMPRES) for transboundary animal and plant pests and diseases. EMPRES increased FAO's capacity to respond in particular to the threats posed by desert locusts and rinderpest,⁷ which were particularly virulent in Africa, the Near East and Southwest Asia at that time, but also to threats posed by other pests and diseases.

With his proposed reforms in progress after approval by the Conference, the Director-General observed FAO's 50th Anniversary in Quebec City, Canada, the city of its founding. There, he reaffirmed the purpose of FAO for the years ahead, reiterating the Organization's dedication to helping the world feed itself, and promising to all the world's farmers, foresters and fishers "to spare no effort to place in their hands the three immutable keys to food security: knowledge, capability and the will to act."

⁶ CL 106/2.

⁷ It should be noted that due to the concerted efforts of FAO, along with the World Organisation for Animal Health (OIE), rinderpest – also known as cattle plague – was officially declared eradicated in June 2011, only the second disease in history to be erased from the Earth.

The Special Programme for Food Security gave us the opportunity to test activities on the ground and then replicate and expand them with the involvement of government and support from technicians via South-South cooperation.

Jacques Diouf
Director-General, FAO

The Quebec Declaration. Endorsed at the end of the anniversary meeting⁸ and then by the 1995 FAO Conference in Rome in 1995, the Quebec Declaration renewed Members' support for the Organization and its mission to "help build a world where all people can live with dignity, confident of food security". At its base, the Declaration emphasized the role of agriculture, forestry and fisheries as key sectors in the quest for sustainable economic development, the empowerment of food producers and consumers, the sustainable use of natural resources for development, and the need to build a global partnership for sustainable development. However, it also reflected changes in perspective based on 50 years of experience and new paradigms emerging or accepted as a result of that experience. These paradigms became clearer through the outcomes of a series of conferences and summits on poverty and environmental degradation, convened in the 1990s, which generated a broad-based international consensus on development, as a common response by the international community to the situation at the end of the twentieth century.

World Food Summit. Nonetheless, the issue of food security remained largely overlooked on the international agenda, and the same session of the FAO Conference convened a World Food Summit in order to gather global decision-makers and address the problem. The five-day summit, held during 13–17 November 1996, with participants from 185 countries, represented the first global gathering to focus solely on food security at the highest political level. In adopting the Rome Declaration on World Food Security and the World Food Summit Plan of Action, participants renewed the commitment of the international community to ensuring food for all. They also set the world's first quantitative goal for hunger reduction, issuing a call to halve the number of hungry in the world by 2015, and setting out a blueprint, in the form of a Plan of Action, for achieving food security for all. In so doing, the Declaration provided a reference for the 2000 UN Millennium Summit, which made reduction of hunger its primary Millennium Development Goal (MDG), pledging "our political will and our common and national commitment to achieving food security for all and to an ongoing effort to eradicate hunger in all countries, with an immediate view to reducing the number of undernourished people to half their present level no later than 2015."

Strategic Framework 2000–2015. Building on the successful outcomes of these meetings, as well as on the ongoing reform process, the 1999 FAO Conference adopted the Strategic Framework 2000–2015. A milestone, this marked the first time that FAO's governing bodies and secretariat were able to share a common vision around a limited number of focused, long-term objectives.

In practice, the preparation of the Framework involved wide discussions, both internally at Regional Conferences, Technical Committees and other subsidiary bodies, and at intergovernmental level with member countries. The Strategic

We pledge our political will and common and national commitment to achieving food security for all and to an ongoing effort to eradicate hunger in all countries.

Rome Declaration, 1995

⁸ *FAO Fiftieth Anniversary Declaration On Food And Agriculture* (http://www.fao.org/wfs/index_en.htm).

Framework itself projected a clear vision of the direction to be taken by FAO up to 2015, including core objectives and an implementation programme. Moreover, although it predated the UN Millennium Declaration by almost one year, it contained references to the MDGs (in particular, MDG1 on poverty and MDG7 on environment), and its timeframe coincides with the 2015 deadline for their achievement. With this Strategic Framework, FAO became the only specialized UN agency to try to locate the totality of its institutional efforts within the 15-year goal framework of the MDGs.⁹ The Strategic Framework also presented FAO's measured response to the dramatically changed global development context at the end of the twentieth century, described in Chapter 1, and included its strategy for reversing its severely deteriorated finances.

In line with the corporate focus that guided the reform process, the Strategic Framework spelled out the FAO mission as helping to “build a food-secure world for present and future generations.” To accomplish its mission, FAO embraced three global goals: (i) access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of undernourished people is reduced by half by no later than 2015; (ii) continued contribution of sustainable agriculture and rural development, including fisheries and forestry, to economic and social progress and the well-being of all; and (iii) conservation, improvement and sustainable utilization of natural resources, including land, water, forest, fisheries and genetic resources for food and agriculture. These goals were then supported by strategies meant to provide needs-based services to FAO Members, namely:

- contribute to the eradication of food insecurity and rural poverty, and address food, agriculture and natural resource emergencies;
- promote, develop and reinforce policy and regulatory frameworks for food, agriculture, fisheries and forestry;
- create sustainable increases in the supply and availability of food and other products from the crop, livestock, fisheries and forestry sectors;
- support the conservation, improvement and sustainable utilization of land, water, fisheries, forest and genetic resources for food and agriculture;
- improve data availability and information exchange, monitoring, assessing and analysing the global state of food and nutrition, agriculture, fisheries and forestry, and
- promote a central place for food security on the international agenda.

Changes in organizational structure

FAO's capacity to both produce and disseminate knowledge in agriculture and, at the same time, to support countries in facing challenges by applying this body of knowledge, gives it a comparative advantage through its combination of specific technical expertise and presence at global, (sub)regional and country level. However, exploiting this comparative advantage requires matching an effective organizational structure at headquarters with efficient corporate infrastructure and services, while

⁹ FAO, Independent External Evaluation. 2007, p. 273.

If there is one fundamental principle on which FAO is based, it is that the welfare of producers and the welfare of consumers are in the final analysis identical.

CR 1 FAO 1945, Strategic Framework 2000-2015

Evolution of FAO evaluations

As the work of FAO has evolved to meet external needs, so has the Organization's evaluation function. Up to the early 1990s, the main focus of evaluation work was on individual field projects. Evaluation of the Technical Cooperation Programme (TCP) began in 1996 with examination of groups of projects under particular themes where there had been a significant volume of TCP activity. In 2000, FAO evaluations began to cover broad thematic and strategic issues and to examine systematically Regular Programme work, besides field projects. In 2005, it began evaluating the entirety of FAO's work in individual countries.

The evaluation function has also undergone important institutional reforms in recent years. The Office of Evaluation (OED) was established as a distinct organizational entity in January 2010, with reporting lines to the Director-General and the Council through the Programme Committee. However, the evaluation function had already acquired significant operational independence through a decision of the Council* in 2003. Interaction with the governing bodies was significantly strengthened, with all major evaluation reports and their management responses being reviewed by the Programme Committee. OED's work plan is also approved by the Committee. Transparency of the evaluation function was increased as all evaluation reports are now public documents and published in their entirety on the FAO Web-site.

* CL 125/2, paragraph 13.

avoiding duplication of functions and bureaucratic administrative burdens within its network of decentralized offices.

FAO has constantly adapted its internal structures during the last 18 years, with the aim of being more prepared and effective in facing the global challenges affecting agriculture, while also ensuring that its resources are used in the most efficient way possible by actively fostering collaboration among different departments. This called for a substantial re-engineering of the Organization, a proposal initiated in 1994 and progressively approved by the Conference. The process has focused on fewer and higher-priority actions, accentuating FAO's role as a knowledge, learning and capacity-building organization; focusing its policy work on sustainable agricultural and rural development and food security; strengthening its role in supporting countries in preventing and addressing major threats to crop, livestock, fish and forest production; and amplifying its impact by expanding alliances and partnerships and creating a more transparent, receptive, responsive and outward-looking organization.

This has involved a shift towards a flatter and less hierarchical management structure, which called for more effective clustering of responsibility around organizational priorities. For example, a key structural change made at headquarters in 1994, to improve the coherence of FAO services to Member Nations, called for

The organizational structure is in many ways just a framework animated by its human capacity and the dynamics of its operations. But the structure is of great importance as it will facilitate effective, meaningful and economical operations.

Jacques Diouf
Director-General, FAO

grouping previously scattered units into a new Technical Cooperation Department. This now represents the hub of FAO's operational activities. This change facilitated a smooth transition to decentralization of responsibilities for project operations and policy services, which remains FAO's prevailing model. Further structural changes reflecting an increased focus of the Organization included the establishment of the Department of Sustainable Development, which further evolved into the Department of Natural Resources, and the Agriculture and Economic Development Analysis Division in the Economic and Social Policy Department.

In addition, FAO undertook a drastic reduction in the number of units and locations at which administrative actions were processed, reducing overhead costs and taking advantage of economies of scale. This led to the creation of a Shared Services Centre based in Budapest, Hungary, to carry out administrative services for the FAO European, Near Eastern and African regions. This made it possible to benefit from favourable cost differentials, compared with the headquarters location in Rome. This major administrative initiative was coupled with further delegation of authority to the decentralized offices.

A new organizational structure was implemented in January 2010, with a view to ensuring manageable spans of control, reducing potential "silo" effects, and introducing flexible and de-layered management methods at lower levels. For example, the new structure reduces the number of direct reporting lines to the Director-General from 13 to 7, with a new executive management team led by the Director-General as chief executive officer, and comprising two Deputy Directors-General, plus the head of the Cabinet. This team is responsive and flexible, having the responsibility, authority and functional scope to ensure that decisions on all aspects of the Organization's work are enacted in a timely and effective manner.

In 2006, the Director-General inaugurated the Crisis Management Centre, reflecting the importance the Organization attaches to biosecurity. The Centre is a rapid response facility, designed to boost and expand FAO's capacity to handle transboundary animal diseases, such as avian influenza, in association with the World Organisation for Animal Health (OIE). The centre is equipped with the latest communications technology and staffed with scientists and emergency experts, capable of responding immediately to high-risk events, as well as occurrence of transboundary diseases or pests. It works in close cooperation with the appropriate ministries of the countries concerned and other international and regional organizations.

Progressive decentralization

FAO has made substantial changes in the relations between headquarters and decentralized offices and its internal structures, evolving over the decades from a hierarchical organization driven by global agreements and availability of donor funding into one increasingly driven by Member priorities at country and (sub) regional level. These changes have not only enabled FAO to adapt to the demands of a constantly changing external environment, but have led to financial savings and better coordination among departments as well as field offices, and enabled

the Organization to move closer to the needs of its beneficiaries. The changes have come within the context of the major reforms that took place in the following years, transforming FAO into a more decentralized and modern organization, better equipped to respond to the challenges of the twenty-first century. Overall, these changes have had an important impact on the culture of the Organization.

A package of reforms presented to the 1994 Council identified decentralization as one of FAO's guiding principles and called for the "largest possible measure of decentralization of technical activities to regional, subregional and country levels."¹⁰ In response, steps were taken to strengthen the FAO Regional Offices in Accra, Bangkok, Cairo and Santiago and, to a lesser extent, the Rome-based Regional Office for Europe (subsequently transferred to Budapest), through the positioning of stronger multidisciplinary teams. This facilitated the transfer of a number of functions of direct relevance to the respective regions, including policy assistance, field programme development and most technical support services for projects.

The regional offices also took on full responsibility for organizing regional conferences and meetings of other regional bodies. In addition, FAO established five subregional offices to expand outreach to clusters of countries not well served by the regional offices. After extensive consultation with the Member Nations and the host countries concerned, new offices were set up in Harare (Zimbabwe) for Southern and East Africa; Apia (Samoa) for the Pacific Islands; Bridgetown (Barbados) for the Caribbean; Tunis (Tunisia) for North Africa; and Budapest (Hungary) for Central and Eastern Europe. This resulted in an 81 percent increase in the number of decentralized posts.

As field project operations were gradually transferred to decentralized offices, the latter were progressively empowered to manage FAO's development projects. The replacement of International Programme Officers of country offices with qualified national staff not only reduced costs but facilitated national ownership. Thus the role of country offices, which initially focused on liaison and mobilization of headquarters' support was broadened to cover also field programme development and the operations of development projects of the Organization at country level.

Today regional offices support region-wide decision-making on policy and programme matters through their partnerships with Regional Organizations, their involvement in Regional Commissions, their servicing of the Regional Conferences and the policy advice they provide. They have also assumed responsibility for supervising country offices and the FAO Representatives, monitoring and coordinating development projects in the region and coordinating the Technical Cooperation Programme, and have greater delegated authority in procurement and human resources.

Decentralization is complicated. To have an effective decentralization, you need to decentralize activities, programmes and projects; you need to decentralize resources to implement them, you need to decentralize the tools to manage them, and then you need to decentralize the authority to undertake all of that. It means developing accounting software, it means training staff.

Jacques Diouf
Director-General, FAO

¹⁰ CL 106/2, paragraph 24.

Decentralization timeline: 1994–2011

1994. Regional offices, strengthened through transfer of technical and policy assistance expertise and establishment of management support units, in turn, assume responsibility for identifying priority areas of action in their regions; monitoring and reporting on major regional developments and trends in agriculture; and advising on FAO's normative and technical cooperation work in their regions. They also provide technical support to countries and managerial and administrative support for field programme implementation; and organize regional conferences and technical meetings.

1994–1995. Five subregional offices are established to provide more responsive support to Members. The country offices evolve from predominantly liaison functions to key operational and strategic roles, broadening country coverage with the limited budgets available, through, inter alia, multiple accreditation of FAO Representatives (FAORs), Out-posted Technical Officers/FAO Representatives and National Correspondents.

1995. The FAO Policy Assistance Division (TCA) is established as a largely decentralized unit to provide policy support and facilitate resource mobilization for projects and programmes within developing countries.

1996–1998. Project operations responsibility for development projects is largely transferred to the regional offices as part of progressive decentralization of the field programme.

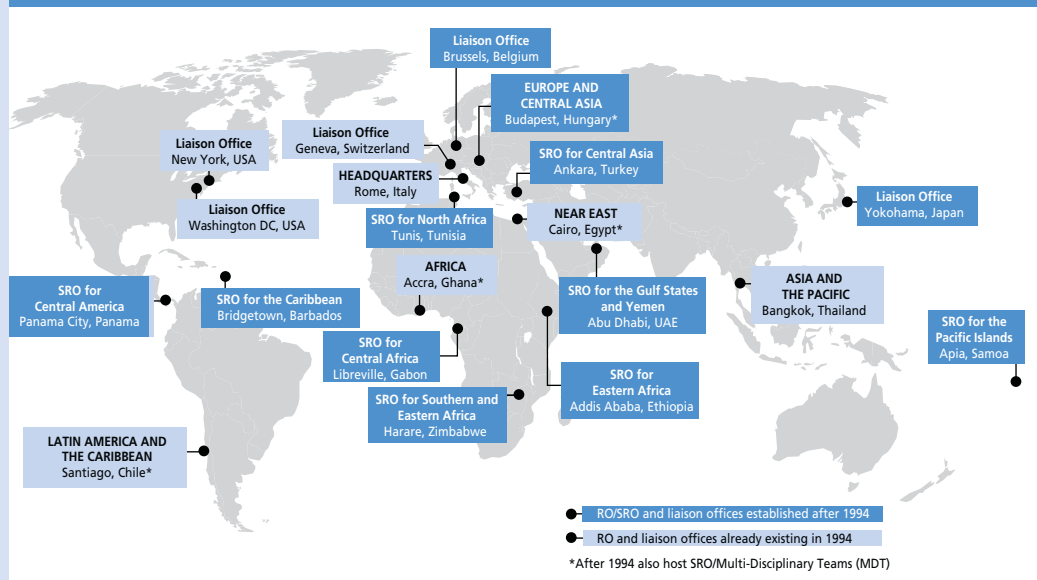
1997. The procurement ceiling is increased to streamline reaction time to local needs, reaching US\$25 000 for FAORs, US\$50 000 for subregional representatives, and US\$100 000 for regional representatives. FAO Representatives are given greater authority to recruit national consultants.

2000–2001. Operational responsibility for national field projects is further decentralized to FAO Representatives (FAORs), with regional offices retaining a core group of officers to operate regional projects and projects in countries with no FAORs, and headquarters retaining a small coordination and monitoring function for the field programme.

2004. Country offices are given the lead role in field programme development, as a follow-up to the 1995 decision to decentralize TCA. An independent evaluation of FAO's decentralization is undertaken.

2005. Changes are initiated, based on the outcome of the independent evaluation, including an increase in national professional staff and a reduction in general service and international administrative officer posts in order to reduce costs; the introduction of national medium-term priority frameworks (NMTPFs) to give a country focus to programming, budgeting, resource mobilization and field programme development (completed in 66 countries); the establishment of new subregional offices in Africa, Central Asia and Central America,* launching subregional management teams to help build synergies in the subregion; and the granting of responsibility to regional offices to lead FAO's response to regional priorities and implement related regional programmes and projects.

FAO's network of regional, subregional/MDT and liaison offices 1994–2011



2006. Decentralized offices are further empowered through increased authority for procurement, Letters of Agreement and recruitment. In particular, FAOReps are provided a Technical Cooperation Programme Facility of up to US\$200,000 per biennium per country and procurement authority is increased from US\$100,000 to US\$150,000 for Regional Representatives from US\$50,000 to US\$75,000 for Sub-Regional Coordinators and from US\$25,000 to US\$50,000 for FAORs – and larger authorizations are granted in countries with large emergency programmes. FAO regional representatives and subregional coordinators are made responsible for the entire development project cycle of the field programme, including regional and subregional projects in their respective areas of competence. A core TCP Team remains at HQ to support emergency and interregional TCP project processing and global monitoring and reporting while TCP programme officers posts are established in all 5 regional offices to support decentralized offices.

2010. Country office oversight functions decentralized from the Office for Coordination and Decentralization to Regional Offices. New Vision for the Decentralized Offices Network outlines next steps to further strengthen and consolidate the decentralized offices, and makes FAO more responsive to country and (sub)regional priorities. Regional conferences are further strengthened, becoming fully integrated into the governing body structure, with their recommendations influencing decision-making on corporate strategic directions. Delegation for procurement is further increased from US\$50,000 to 100,000 for decentralized offices.

2011. Increase in delegation for Letters of Agreement to decentralized offices to be aligned with procurement levels, i.e. US\$100,000. In January 2010, the Technical Cooperation Programme (TCP) was decentralized. A large share of the responsibility for the management of the TCP was transferred from FAO headquarters to decentralized offices. The approval authority and the related responsibilities over the approval process for non-emergency TCP projects (including the TCP Facility) have been placed at the lowest possible levels of the decentralized structure, whereas for emergency and interregional TCP projects they rests with the ADG/TC. A share of 15 percent and 3 percent of the TCP appropriation is retained under the authority of the ADG/TC for emergency and interregional projects, respectively, while the remaining appropriation is allocated, inductively, to regions under the authority of the Regional Representatives.

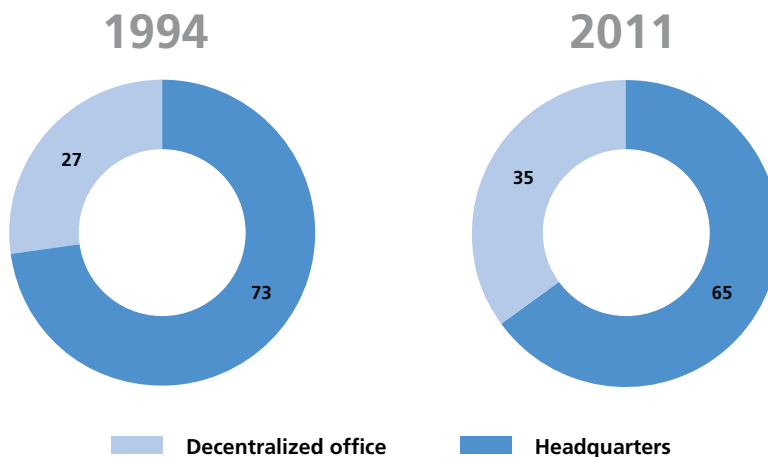
* As of 2011, another subregional office (SRO) will be opened for countries of the Gulf Cooperation Council States and Yemen, at no cost to the Organization. Multidisciplinary Teams (MDTs) have been set up in two other locations, bringing to 13 the total number of SROs/MDTs.

■ Increasing efficiency, cost savings and resource mobilization

From the 1990s through the early twenty-first century, donor countries increasingly provided financing to multilateral organizations on the basis of trust funds or funded through voluntary contributions. The unpredictability of such funds, both in volume and programme content, made multilateral financial structures inherently

FIGURE 1

Staff distribution headquarters / decentralized office



Source: FAO Number of Staff by Location and Grade, HR Management Information Report, CSHD 17/10/2011. The data refer to the total number of staff at all levels, excluding field projects.

unstable and increased downward pressure on FAO's budget. The end of the Cold War further compounded the issue, as it reduced East–West competitive pressures to expand aid, and overall aid levels dropped by over 25 percent in real terms between 1992 and 1997. Although nominal growth in ODA resumed in 1998, it was only in 2006 that total ODA exceeded its 1994 level in real terms.

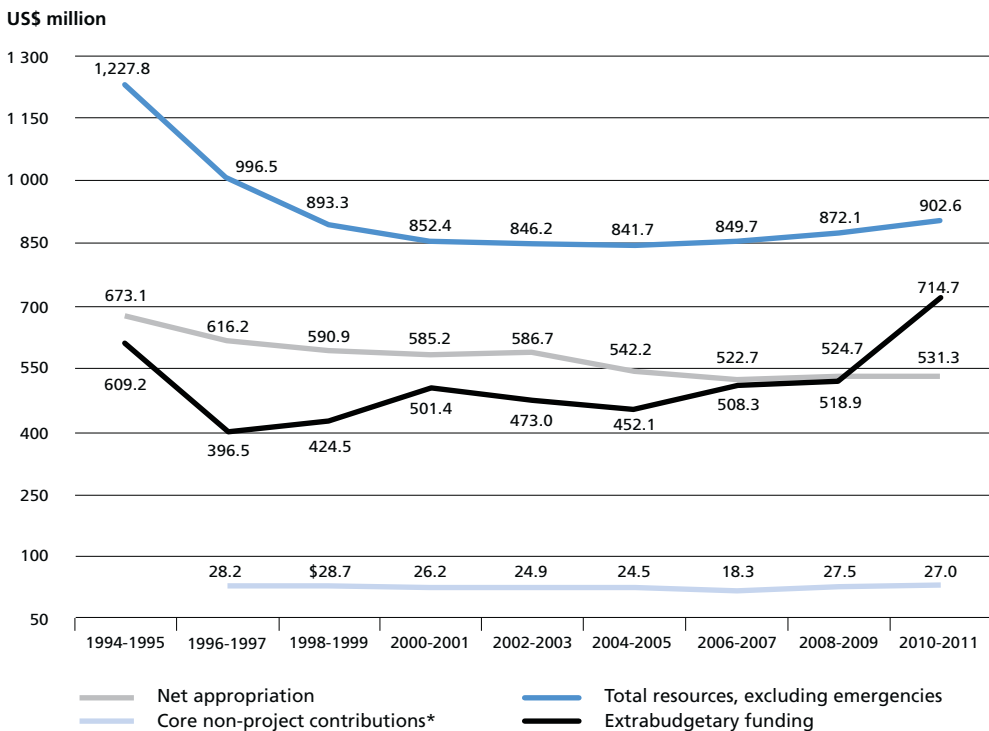
Despite FAO's efforts to keep the issues of hunger and malnutrition at the top of the international agenda, most of the development world's attention – and thus funding – was focused elsewhere, in particular towards social services, such as improving healthcare and education. The resulting decrease in global aid to agriculture in the 1980s and 1990s had significant repercussions on FAO's budget (Figure 2).

Coping with budget stringency

FAO traditionally funded its work through assessed and voluntary contributions. Assessed contributions are the contributions of Members, which are set at the biennial FAO Conference. In addition, Member Nations and other partners provide voluntary contributions, earmarked for either development or emergency assistance.

FIGURE 2

Trends in FAO resources since 1994 (in real terms)



* Called "Other income" before 2010.

From 1994 to 2011, FAO's Regular Programme resources, which come from Member assessments, declined by 21 percent, while total resources including voluntary contributions (excluding voluntary assistance for emergencies) declined by 26 percent in real terms. Figure 3 illustrates the 1994–2011 evolution of total resources available to FAO in real terms, through the net Regular Programme budgetary appropriation approved by the FAO Conference, and additional extra-budgetary voluntary contributions made available by Members and partners.

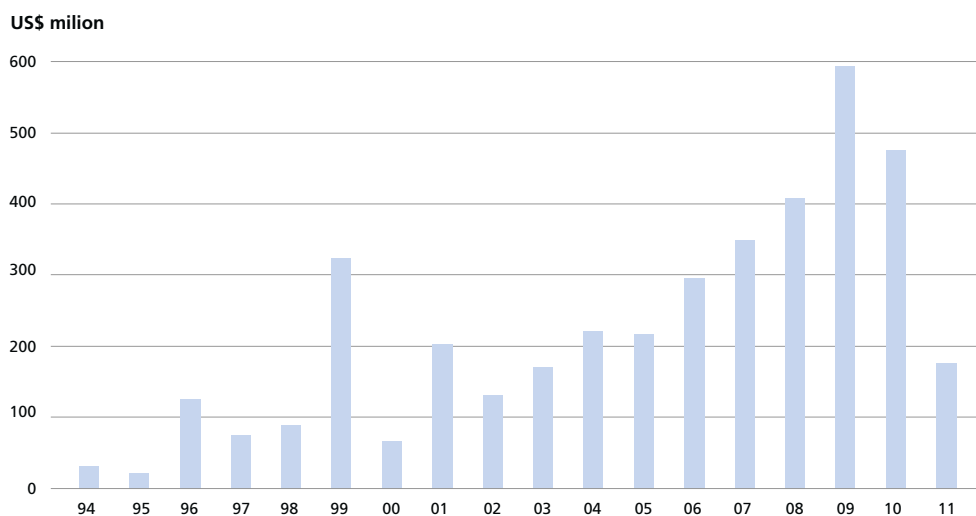
In 1996–1997, the FAO Conference agreed upon the first and largest of a series of Regular Programme budget cuts, initiating a trend that was to last for a decade. The 1996–1997 cut amounted to US\$57 million, an 8.5 percent real-term decrease. This was followed by progressive small real reductions in the Regular Programme budget for the next three biennia, a significant real reduction of US\$51 million in 2004–2005, and another real reduction of US\$39 million in 2006–2007.

In 2009, the FAO Conference voted a Regular Programme budget of US\$1 billion for the 2010–2011 biennium, which with additional voluntary contributions (including emergency) estimated at US\$1.2 billion, represented a slight increase in real resources at the disposal of the Organization. This reflected growing understanding of the magnitude of the challenges to be addressed in food and agriculture, and also indicated recognition on the part of Members of FAO's increased effectiveness, achieved through progressive reforms.

Voluntary contributions have traditionally contributed to the financing of most development and emergency assistance. They can take many forms, including in-kind partnering and support, official donor assistance through projects or pro-

FIGURE 3

Total resources for emergency operations, 1994–2011*



*Figures for 2011 are only until August.

grammes, partnership programmes, direct expenditure reimbursement, application of direct budget support or unilateral trust funds. At country level, voluntary contributions come from out-of-country sources, such as bilateral and multilateral donors and charitable foundations.

Voluntary contributions now account for 55 percent of FAO's total resources. This is partly a reflection of the growing demand for FAO's technical services and global public goods. Resources mobilized for emergencies and rehabilitation have stabilized since 2007 at around US\$370 million per year (Figure 4).

■ Resource mobilization

FAO has worked since the end of the 1990s to mobilize and diversify its resources, mainly to ensure it has adequate funding to meet its goals at the global, regional, subregional and country levels. Recently, in response to evaluations and reforms undertaken between 2007 and 2011, the Organization developed a resource mobilization strategy. This focuses on forging resource partnerships built on trust and mutual accountability to increase contributions, but also to make them more predictable, and thus enable better planning and outcomes.

European Union (EU) provides voluntary funding

An example of FAO's strategy to diversify its resources, the EU-funded Food Facility is a two-year programme launched in 2009 to assist countries undergoing humanitarian crises, and to help low-income food deficit countries (LIFDCs) hit by the 2008 soaring food price crisis to move toward long-term food security. The EU channelled over €232 million of the €1 billion Food Facility project through FAO, enabling FAO to conduct field operations in 28 countries and affect the lives of over 9 million rural people.

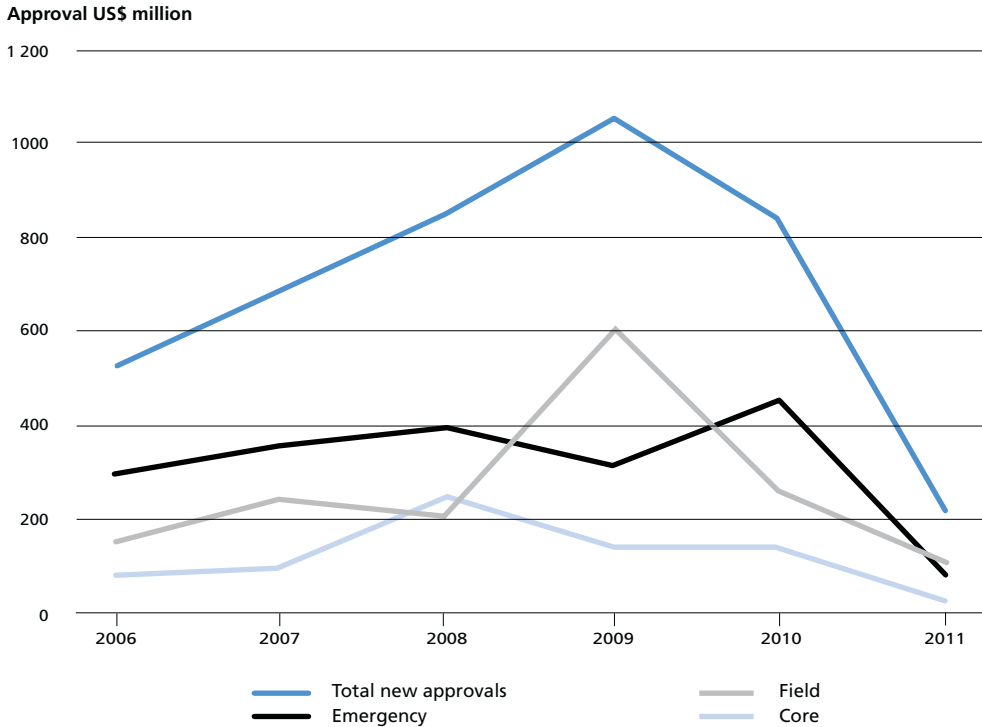
FAO also has developed a Web-based tool – Agricultural Development Assistance Mapping (ADAM)¹¹ – to enable decentralized offices and technical departments to identify FAO's comparative advantages, and support strategic prioritization and resource mobilization at the country, subregional and regional levels. Mapping the priorities of FAO, the government and other development partners in the country and region allows users to increase understanding of national development priorities, learn the major resource partners in the sector, and assess coherence and possible gaps in addressing agriculture sector priorities.

During two decades of cuts from its regular budget, FAO has had to rely on external funding sources, some of which are traditional, while others are innovative modalities that have enabled the Organization to reach out to new sources with

¹¹ <http://fenix.fao.org:8050/fenix-web/adam/ADAM.html>

FIGURE 4

Resources mobilized, 2006–2011*



*Figures for 2011 are only until August.

Source: FAO.

new concepts for funding approaches, partnerships and earmarking. Annex 2 illustrates the funding approaches and resources partnerships undertaken by FAO between 1994 and 2011.

■ Taking measures to deal with financial constraints

In light of financial realities, FAO has vigorously pursued efficiency savings by adopting a series of practices aimed at maximizing scarce budgetary resources. In order to achieve efficiency gains while improving performance, the Organization has moved towards a new business model characterized by a flatter and less fragmented management structure, strengthened accountabilities, and increased delegation of authority and responsibility to managers, in particular to decentralized offices.

Operational efficiency

Despite continuous reduction of its regular programme budget, FAO has worked since 1994 to transform its operational activities with the aim of increasing efficiency

FAO South–South cooperation (SSC) agreements

FAO South–South cooperation (SSC) agreements arrange for technicians and experts from emerging developing countries to work directly with farmers in host countries to share their knowledge and skills. Over 1 400 experts and technicians have participated since the inception of the SSC programme in 1997.

FAO is committed to making SSC a key component of its National Programme for Food Security (NPFS), a country-driven programme based on a vision of village-by-village development on a national scale. SSC has the capacity to quickly reach large numbers of people at relatively low cost with appropriate technology. Strategic use of this approach has significantly increased technical support for activities developed by NPFS and Regional Programmes for Food Security in partnership with regional economic groups.

In March 2010, FAO reached an agreement with China to establish a US\$30 million trust fund in support of SSC in selected countries. Indonesia and Argentina have signed similar agreements, and SSC agreements with India and Morocco are under discussion.

and improving staff working conditions. In 1995, the FAO Council defined efficiency savings as “reductions in the cost of inputs without material negative impact on the outputs.”¹²

For example, in the mid-1990s FAO merged purchasing and contracting, which contributed to a more responsive and efficient procurement function, and delegated procurement authority to the director level at headquarters, making the procurement process more efficient. Decentralized offices also received procurement authority.

Financial savings

Efficiency steps have yielded an estimated annual savings of US\$111.9 million since their implementation in 1994. These have taken the form of a five-pronged approach:

1. Lowered input costs (e.g. new partnership agreements, reduced travel and communication costs, and better banking arrangements).
2. Streamlined administrative and operational support processes, through implementation of an offshore Shared Services Centre to handle administrative tasks.
3. Selective de-layering of director posts.
4. Adjustments to the human resource input mix (e.g. reductions in post and grade averages, management of staff career opportunities, and optimization of staff and non-staff human resources to deliver services).

¹² Source: CL 110/rep, paragraph 24.

5. Improvements in extrabudgetary resources, achieved through increases to the funding base of the Programme of Work.

Administrative systems

Administrative and operational information systems have come a long way since the mainframe-centric approach of the 1990s, which served only a limited number of users at headquarters for specific processes. These systems now provide essential management tools for accessing and organizing data and information.

In 1999, Oracle's Enterprise Resource Planning (ERP) replaced FAO's mainframe-based administrative systems. Oracle ERP extended automation of functionalities and the user base to include both headquarters and decentralized offices. Six other major systems (PIRES, COIN, FPMIS, FAS, eBMM, Atlas) now support specialized administrative functions. Oracle ERP and the six satellite systems ensure the availability of up-to-date administrative information to staff at headquarters and in decentralized offices around the world. The new systems have helped to modernize office processes, streamline administrative procedures, and decentralize or delegate various approval authorities, replacing paper-based with electronic approvals and extending the implementation of exception-based approvals: PIRES supports FAO's results-based management process, which comprises programme planning, budgeting, implementation, monitoring and evaluation at all levels of the Organization; FPMIS provides accurate and timely information regarding the field programme, which is essential for field activities and senior management's monitoring of emergency and projects performance; COIN provides a wide range of information about FAO Decentralized Offices and enables the processing of administrative transactions originated by decentralized offices and reviewed/finalized by FAO Authorized Approvers; FAS covers some limited financial transactions in the field; eBMM provides budget monitoring and forecasting; and Atlas manages travel.

In 2007 a new set of modules known as the Human Resource Management Systems (HRMS) were introduced worldwide to cover staff and non-staff management, recruitment, staff development and payroll. The HRMS helped streamline and reduce paper flows associated with payslip distribution, leave approvals and other HR administrative actions. FAO was the first in the UN system to implement a full multi-currency corporate payroll based on standard ERP software with salaries calculated and paid in more than 100 currencies. The HRMS was further expanded in 2009 with the implementation of the performance management module (PEMS) in all FAO locations.

In 2009, FAO implemented a corporate business intelligence software platform which, combined with the expansion of the administrative data warehouse currently underway, represents a major paradigm shift in the way administrative information will be utilized for reports, data analysis and decision-making. The platform underpins the FAO Strategic Framework by assisting FAO management at all levels of decision-making. The first outputs, completed and released in early 2011, included human resources, finance and budget information that could be utilized by both

FAO headquarters and decentralized offices. In 2010, another major development, the automation of the Performance Evaluation and Management System (PEMS) process, allowed FAO staff to develop and process their PEMS agreements. Computerization is also an important component of the visitors' registration centre at FAO headquarters including security turnstiles.

Internal support systems

Changes in how FAO performs its work paralleled the worldwide technology revolution of the 1990s and 2000s. FAO's rapid implementation of these technologies allowed it to adapt its operations to the changing environment, and had a tremendous impact on the culture of the Organization. More than ever, information and communication technology (ICT) services now provide the basis for the day-to-day business of the Organization including its work in emergencies, capacity building, and the link between headquarters and decentralized offices.

Data centre. The key element in FAO's information technology infrastructure is represented by the headquarters data centre – a concentration of computing power and data storage. The data centre hosts almost 300 servers in a controlled and secure environment. Upgrades to the data centre itself and to the equipment hosted have considerably increased resilience to a range of disasters, and the use of modern technology has reduced energy costs. FAO has also gradually adopted the most appropriate technologies to support its business needs in an effective and cost-efficient manner, including open-source platforms wherever feasible.

Remote access. FAO's remote-access infrastructure, built up over several years starting from the mid-1990s, permits up to 600 staff members to connect remotely at one time. It supports teleworking and ensures continuous availability of staff and rapid response in emergency situations.

Videoconferencing. Videoconferencing is an essential part of the distance-shrinking technology mix and underpins decentralization. In addition to allowing headquarters staff to attend meetings virtually, videoconference facilities, now available to all regional and subregional offices, as well as most FAO Representations, improve inter-office communications.

Decentralized offices. At the beginning of the 1990s, most internal communication with decentralized offices was undertaken via mail, phone and telex. Major investments to upgrade network capacity began in 2001 and by 2003, a Wide Area Network (WAN) was available to almost 80 decentralized offices, permitting them to access FAO's extensive knowledge resources via Intranet, and to deploy information systems such as Oracle HRMS. Since 2009, cost-effective secure connections over the public Internet and satellite connections have been gradually replacing a large portion of the SITA private network. FAO collaborates with other UN agen-

ICT really underpins decentralization. It allows everyone equal access to information and data and gives them a common base to work from.

Senior IT officer, FAO

PHOTO 3
Subregional Office for
Central Africa.



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cies, particularly in locations with challenging communications issues, and UN Delivering as One initiatives also support shared ICT services in the field.

In 1999, regional offices received Oracle access, and all FAO Representatives were provided with Internet access. The Country Office Information Network (COIN) provided direct access to information and streamlined the administrative processes related to decentralized offices. It also enabled such tasks as budgetary revisions, procurement of goods and services, requests for additional allocations, and disposal of old equipment to be handled electronically. The addition of a Field Accounting System (FAS) and office automation improved communication, overall reporting and account management at country level. Country offices now have secure access to a steadily expanding set of services, such as basic budgetary and financial information, through Oracle Data Warehouse and FPMIS.

Almost all decentralized office staff now have quality email access. A major investment in 2008–2009 ensured upgrades to the latest desktop, e-mail and server software suites, including the acquisition of hardware for centralized network services. Newly opened offices are fitted with the best technology available in their locations, and some countries benefit from Voice over Internet Protocol (VoIP) switchboards. FAO makes use of VoIP technology from Skype to reduce calling costs, especially in countries where Internet is widely available, but the voice telephony market has not been deregulated.

These efficiency measures have led to an estimated annual saving of US\$1 million in communication unit costs, and substantially improved the way that FAO staff communicate at headquarters and with decentralized offices.

Internal controls (audit)

Internal control activities are part of the business processes and functions that support FAO's business objectives. FAO has given senior management ownership of the Organization's internal control system, and thus the responsibility to ensure adequate internal control. This comprises: reasonable assurance of effectiveness and

Extending the audit to field and project offices

FAO field and project offices operate some 220 bank accounts and, in 2006, processed more than 250 000 transactions, representing over US\$370 million in disbursements in more than 140 countries. FAO has engaged local auditors to carry out regular audit work at these field locations on a quarterly, semi-annual or annual basis, depending on disbursement levels.

efficiency of operations, reliability of financial reporting, and compliance with applicable rules and regulations.

Just six months into his tenure, the Director-General requested up-to-date audit reports on the five FAO regional offices and 75 field offices around the world. The Office of the Inspector General mobilized a global effort and within five weeks produced up-to-date independent internal audit reports, permitting an assessment of the overall quality of management of field operations. Detailed information and analyses prepared on the activities of the individual representations and regional offices provided an additional source of objective information for decision-making on the staffing, organizing and restructuring of the field offices, in light of the Organization's decentralization objectives.

Other developments in building FAO's internal control include: the updating and modernization of the Office of the Inspector General to reflect the strengthened role of internal oversight; the formalization of whistleblower protection; the establishment of an Audit Committee to provide guidance and assistance, comprising only external members according to current best practice; the creation of a Local Audit Programme (LAP) for decentralized offices; and the establishment of a dual signature process for the Office of the Director-General and Administration and Finance Department to set an example of transparency.

CHAPTER 3

2000–2005 FAO in the new millennium



We had to take note of the changes taking place in the UN system ... and the strong demands to advance further in the reform process that had been underway for several years. FAO had to refocus in programmes and activities around the priorities identified by Member Nations, in particular the Millennium Development Goals. ... The conclusion was inescapable. Change was essential and what was needed was not to add and subtract on the margins but rather to re-engineer the Organization, both its programmes and its management structure.



*Jacques Diouf
Director-General, FAO*

The beginning of the new millennium witnessed radical changes in the international development context. FAO was able to renew its role as a knowledge organization and further develop its human resources to respond to these challenges.

■ External factors affecting FAO

The overall context, changes in global aid architecture and developments within the UN system all affected FAO's field of action. In the early 2000s, some 280 international organizations and initiatives were competing for donor resources.

Changes in global aid architecture

New donors, including international philanthropic foundations such as the Bill & Melinda Gates Foundation, added hugely to development funding in specific areas. New powers such as the G20, which includes emerging economies such as Brazil, China, India and Russia, became key players in the international arena, while some of the larger international NGOs such as Oxfam became more influential than many established agencies.

Vertical funds with specific mandates and public-private partnerships among national governments, international organizations and the private sector also took on strong roles. Examples include the Global Fund to Fight AIDS, TB and Malaria (GFATM), the Global Environment Facility (GEF), the Global Alliance for Vaccines and Immunization (GAVI) and the Global Alliance for Improved Nutrition (GAIN). These new players also increased the pace of change in their funding policies towards many traditional multilateral organizations, shifting from core to extrabudgetary contributions, often for very specific programmes.

As these organizations assumed a higher level of political visibility, they also became key players in agricultural development, food security and trade facilitation, due to their comparative advantage in addressing transboundary issues, including policy harmonization. In fact, the emergence of regional and subregional economic integration organizations provided further opportunities for FAO to develop partnerships to amplify its impact. Furthermore, FAO's ongoing decentralization process is enhancing its ability to cooperate with these new players.

Over the same period, a number of meetings at international level resulted in reforms that influenced the way FAO conducts its business. The UN Secretary-General led the September 2000 Millennium Summit, which set the eight Millennium Development Goals (MDGs), and its follow-up, the 2005 World Summit of Global Leaders, which reaffirmed those goals. In parallel, various system-wide reform efforts, including the Monterrey Consensus in 2002, the Maputo Declaration on Agriculture and Food Security in 2003, and G8 meetings of the early 2000s (e.g. Gleneagles in 2005), as well as those directed at harmonization and an improved division of labour under the Paris Declaration on Aid Effectiveness adopted in March 2005, drastically changed the architecture of aid. Moreover, after a decade of underinvestment in agriculture, resources to the sector expanded.

The specialized agencies of the United Nations were expected to take account of these changes in approach, adopted by major multilateral financing institutions and bilateral donors, to promote full national ownership of development strategies and programmes, and national accountability for results. In addition, the UN Secretary-General initiated a major programme for reform in 1997, followed in 2004 by architectural transformations in the areas of peace and security, proposed in the *Report of the High-Level Panel on Threats, Challenges and Change*. At the end of 2006, a second High-Level Panel report, *Delivering as One*, renewed efforts to bring about greater unity and coherence across all UN development programmes, including those of FAO.

Evolving priorities and new opportunities

From 1993 to 2005, FAO's membership grew from 159 to 189. This growth required an increase in available services, as well as a progressive shift to respond to evolving

PHOTO 4

Director-General
Jacques Diouf at the
Opening Session of the
FAO Conference,
2003.



national needs. Member Nations increasingly requested FAO's assistance to help them tackle the continuous natural emergencies affecting the world.

Almost all developing countries at this time were demonstrating impressive growth in their technical skills and institutional capacities. FAO therefore needed to adapt its support services to meet their changing requirements. For example, as countries reduced demand for long-term technical assistance involving large teams of internationally recruited experts, new opportunities emerged for expanding South–South cooperation, facilitating an increase in cross-country training and collaborative research opportunities. This also altered the skills mix for countries to draw upon when seeking assistance from FAO.

Thus, in the early 2000s, FAO not only needed to provide new services to its Members, it needed to find ways to refocus some of its operations without increasing its budget. This period also witnessed new UN reforms, such as One UN, and changes in the approach adopted by major multilateral financing institutions and international donors. In response to these changes, FAO launched a series of initiatives and events, including a follow-up to the 1996 World Food Summit, the 2002 World Food Summit: *five years later*, at which participants reaffirmed pledges to end hunger and called for an international alliance to accelerate efforts towards that goal. In addition, the Director-General undertook a number of programme reviews in order to contextualize the work of FAO in the light of the recent transformations. These included an examination of FAO's contribution to the MDGs, an internal survey of its impact as a knowledge organization, and an external evaluation of the decentralization process. These are explained below.

Millennium Development Goals. Although much of FAO's work inherently contributes directly or indirectly to achievement of all eight MDGs, about half of the Organization's effort in relation to the MDGs is directed towards MDG1: eradication of extreme poverty and hunger. A review conducted for the 2005 Committee on World Food Security (CFS) found a critical need for FAO to “re-examine its own role within the [UN] system and articulate how it will adapt to face the challenges ahead.” It concluded that FAO should develop its role as a privileged adviser to governments in the spheres of its competence; engage fully in UN-wide reforms, strengthening its capacity to work in closer partnership within UN mechanisms such as the Chief Executives Board for Coordination (CEB) and other relevant interagency coordinating arrangements; and contribute to coordinating processes at the national level, especially to the Common Country Assessments (CCAs) and UN Development Assistance Frameworks (UNDAFs). FAO embraced these frameworks, as well as Poverty Reduction Strategies and other relevant national strategies, as key points of reference for improving priority setting within its own programmes at country level.¹³

As part of the Organization's reform initiatives it was also decided to establish in 2006 a High-Level External Committee on MDGs to advise the Director-General on FAO programmes and projects to help countries meet the goals.

¹³ FAO and the Challenge of the Millennium Development Goals: the road ahead, 2005. Rome.

PHOTO 5

“Gardens of Biodiversity” highlights the importance of integrating state-of-the-art information and technologies with traditional practices.



At the 2010 MDG Summit the international community reviewed progress on the MDGs and reaffirmed the commitment to achieve these targets by 2015. In supporting the efforts of its Member States in achieving the MDGs, the recommendations of the Outcome Document of the Summit have been mainstreamed into the work planning of the Organization.

Organizational survey. In parallel with the review of FAO’s contribution to the MDGs, the Organization conducted a thorough internal survey to assess its own character as an organization that collects, generates, processes, standardizes, disseminates, transfers and applies knowledge in a continuous cycle. The survey concluded that 80 percent of this knowledge remained in the heads of individuals, within and outside the Organization. This conclusion had far-reaching consequences, leading to the concept of knowledge networks (see below).¹⁴

Decentralization evaluation. An independent external evaluation of FAO’s decentralization process was undertaken in 2004, ten years after the reorganization began. This evaluation found that direct support to countries was more supply- than demand-driven, and that a significant percentage of decentralized staff did not meet the required levels of managerial and technical competence. It also found a weak correlation between FAO field delivery and food insecurity levels. The evaluation’s main recommendation was to improve allocation of resources through the development of national priority frameworks, which were also expected to underpin regional strategies. It also recommended developing stronger links between global normative work and the specific requirements of regions, and to raise the competency of regional staff and improve the gender balance in decentralized offices.¹⁵

¹⁴ *FAO Reform: A Vision for the 21st Century*, 2005. Rome.

¹⁵ Evaluation of FAO’s Regional and Subregional Offices for the Near East 2011, PC 106/5 – FC 138/22; Independent Evaluation of FAO’s Decentralization 2004 PC 92/6a) – FC 108/18.

Focus on FAO as a knowledge organization

The ongoing reform measures not only recognized, but augmented FAO's capacity to produce and disseminate knowledge. This, in turn, was seen as an opportunity to increase the overall impact of the Organization's work. Thus, the identity of FAO as a "knowledge organization" was coined.

In reality, the Organization's founders clearly saw FAO as a knowledge organization. The founding documents, from 1945, called for FAO to work in partnership to build a knowledge network engaged in the production, dissemination, application and assimilation of knowledge. Although knowledge has always been the Organization's most valued output, it was the communication advances of the late 1900s and early 2000s that enabled FAO to effectively use this knowledge.

Tapping into this explosion of knowledge and knowledge management potential required a more focused campaign to capture the accumulated information and to process it into applicable knowledge, accessible via databases and the FAO Web-site. It also involved promoting partnerships, and enhancing information and knowledge with Members, sister UN organizations, NGOs and civil society.

An internal communication in September 2005 first proposed a model of "FAO as a Knowledge Organization", calling on the Organization to further develop and strengthen its policies, processes and practices in creating, acquiring, capturing, sharing and using knowledge. The new organizational structure called for more effective clustering of technical departments at headquarters along with gradual expansion and empowerment of decentralized offices (discussed in the decentralization section), staffed with subject-matter specialists aligned with local requirements, to contribute to the gathering of knowledge. Administrative streamlining and focus on knowledge management and modern communication systems at this time contributed to the dissemination of this knowledge.

Efforts to establish, improve and maintain FAO as a knowledge organization have focused on three areas:

- Utilizing thematic knowledge networks, which promote knowledge-sharing networks among staff at FAO, and between FAO staff and their counterparts in partner organizations and the wider scientific and development community;
- Finding avenues to capture best practices and make these explicit and available through FAO information systems to Members;
- Using the captured information and knowledge to build capacity and implement the knowledge organization model at country level through active support of institutional and rural knowledge networks.

Since 2005, a range of new services have been set up to strengthen the organization's knowledge base. These include "Ask FAO", where FAO Members can enter into interactive dialogue with FAO experts and participate in developing best practices. The adoption of open-source collaborative tools such as blogs, forums and Wiki sites has enabled FAO to further improve its capacity to produce and share information in real time. In 2009 the Organization hosted the first interagency Knowledge Share Fair in close collaboration with its partners.

Knowledge share fairs: an interactive experience

In 2009, FAO introduced the first Knowledge Share Fair for Agricultural Development and Food Security, giving the Rome-based agencies an opportunity to share and learn from each other's good practices. During the fair, representatives from Bioversity International, the CGIAR ICT-Knowledge Management Programme, IFAD, WFP and others had the opportunity to take part in more than 100 planned sessions over the course of three days. These sessions not only promoted cross-learning, but also facilitated the building of networks for future collaboration and the development of ideas to support knowledge sharing within and across the organizations.

Knowledge dissemination. The advent of the internet has had a profound impact on the way in which FAO acts as a knowledge organization, enabling it to increase the efficiency and outreach of knowledge-based services on an unprecedented and massive scale. FAO's online virtual libraries and up-to-date statistical databases, allow researchers to make requests directly of the FAO Web-site and receive immediate answers. This also frees FAO staff to focus on improving the quality and effectiveness of its knowledge-based services. Today, access to FAO technical publications is provided through the Web-based FAO Corporate Document Repository, although FAO maintains ongoing targeted print distribution to ensure appropriate outreach to users with limited or no Internet access. In 1999 there were 2 400 documents in the Document Repository. By 2005, this number had reached 18 500. Today, it is the largest in the UN system¹⁶ with more than 36 000 publications, all freely available online. Special Regular Budget allocations have been granted since 2002–2003 to ensure that publications are issued in as many of FAO's official languages as is technically warranted. Small additional resources are utilized to facilitate production of selected publications in non-official languages, with dozens of such languages covered each biennium.

Beyond the realm of technical publications, FAO's published output has been enriched by flagship publications such as *the State of Food and Agriculture* and *the State of Food Insecurity in the World*, which present both policy and advocacy in all official FAO languages. Partnerships with external institutional and private sector publishers include other UN agencies, the World Bank, regional and national institutes and Consultative Group on International Agricultural Research (CGIAR) centres. An evaluation of FAO's publication activities in 1997¹⁷ found that the technical department produced 5 516 publications, including translations and reprints. In 2004–2005, the equivalent figure was 3 228 (a 41 percent reduction). Since 1994, the Organization has radically revised its approach to communication

FAO's principal task is to work to ensure that the world's knowledge of food and agriculture is available to those who need it when they need it and in a form which they can access and use.

Independent External Evaluation, 2007

¹⁶ FAO IEE. 2007.

¹⁷ The Publication Activities of FAO Programme Evaluation Report 1996-97 – Chapter Five, cited in FAO IEE. 2007.

FAO knowledge in numbers

- The FAO Web-site is visited by 4 million unique users per month and receives 100 million hits.
- FAO hosts 41 000 full text documents.
- AGRIVOC contains over 40 000 terms in 19 languages.
- The AGRIS database contains more than 2.6 million bibliographical references.

of information through publications, devolving production responsibility to the originating technical units and making publishing guidelines and tools broadly available to all units.

Normative work. FAO has consistently been recognized for the level of normative work it undertakes at headquarters, spearheading development and promotion of extremely significant global instruments, and working toward setting standards, norms and conventions in many areas connected with food and agriculture. Such instruments include the FAO Code of Conduct for Responsible Fisheries, the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing, the Codex Alimentarius, the International Treaty on Plant Genetic Resources for Food and Agriculture, the Commission on Genetic Resources and the Code of Conduct on the Distribution and Use of Pesticides, all of which make significant contributions to FAO's role as a knowledge organization. In addition, when these standards and global public goods are applied through projects in FAO's decentralized offices, this enables practical feedback from the field to be used by the Organization to benefit the next round of development.

■ Human resources

As a knowledge organization, FAO recognizes diversity as one of its strongest and most strategic assets. It seeks to build and maintain diversity in terms of gender and geographical representation, and is committed to taking measures necessary to attract and retain the highest quality staff from all walks of life and all parts of the world. Today, FAO staff members come from more than 150 nations, are mostly multilingual, and have broad international experience that takes them from the rural areas of developing countries, where they work with local communities, to major urban areas, where they participate in standard-setting bodies and commissions that add support and oversight to the food and agricultural sectors of the world.

Human resources transformation

The Director-General in his speech to staff in 1999 stated "Our work is a team effort". The importance of human resources in a knowledge organization cannot

PHOTO 6

FAO staff in the 2011
“Run for Food” race.



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be overestimated. As a reflection of this key ingredient to the success of the Organization, FAO has introduced a number of changes to expand human resources (HR) from its previous predominantly administrative and rules-based activities dealing with “personnel” to a more strategic advisory and policy-orientated function that deals with the much larger concept of “human resources”, which means it also better supports other divisions in executing their programmes.

Human resources development comprises staff development, learning opportunities and support processes for strengthening staff competencies in areas that reflect the annual work plan priorities of each division, service and unit. FAO strongly supports staff development, committing 1.35 percent of staff costs to fund staff development each year, a significant improvement from only 0.2 percent in 1997. In addition, the HR division has launched several staff development options in

Medical services

Since 1994, there have been improvements in medical services as part of an overall effort to provide staff with a high quality of work life.

Improved medical services have also helped to reduce absences and the use of direct billing to medical insurers has lowered healthcare costs. The Medical Service has initiated preventive and early detection, which has significantly reduced the number of work-related muscular skeletal conditions, as well as short-term and crisis intervention counselling with assistance to staff members whose work and lives are affected by stress or personal problems. Counsellors also facilitate groups where staff learn to communicate more effectively with each other and deal with personal problems that pose a threat to their health or well-being. The Integrated Occupational Health Information System, introduced in 2000, provides electronic patient record services and captures costs related to service-incurred accidents and illnesses. Its extension to Regional Office Medical Services will accelerate medical information exchange enormously by obviating the need to send medical documents.

Staff security in headquarters and decentralized offices

In light of increased danger for UN staff, security measures have undergone a number of reforms in the last 18 years. In 2010, FAO commissioned a plan to improve security, safety and crisis management activities in FAO headquarters and decentralized offices. This called for training of security staff and established staff responsibilities for security matters. A security overhaul at headquarters upgraded fire and anti-intrusion alarm systems and installed safety film on all windows, CCTV cameras and new digital recorders and radios. Construction of an external visitors' reception facility in 2009 increased access control and eliminated two guard positions without compromising security levels, resulting in an attendant annual savings of US\$0.2 million.

Risk mapping at decentralized offices, undertaken with the UN Department of Safety and Security (DSS), led to relocation of 11 FAO Representations, deemed unsafe and unlikely to comply with overall UN Minimum Operating Security Standards (MOSS). After making resources available for procurement of safety equipment and services, the MOSS compliance rate of individual FAO decentralized offices rose from an average of 50 percent in 2006–2007 to more than 84 percent in 2010.

addition to curricula such as language, information technology (IT), results-based management and communication skills. The FAO Virtual Academy, a Web-based e-learning platform, is also taking shape, enabling FAO to provide online learning options to employees worldwide.

FAO also supports its staff in developing management skills through the Management Development Leadership Programme (MDLP). Launched in 2010, this provides courses in communication, negotiation and conflict management, and will eventually add courses in managing resources and teamwork. In addition, FAO has joined its sister Rome-based UN agencies, IFAD and WFP, in launching and managing the Management Development Centre (MDC). This important milestone strengthens cooperation between the three agencies in human resources, and has led to the creation of a set of common competencies.

In 2008, the Organization introduced the Performance Evaluation and Management System (PEMS), reflecting its commitment to the adoption of results-based management mechanisms. PEMS promotes a structured staff performance evaluation framework, with 360° assessments, peer reviews and regular dialogue between supervisors and supervisees. Following pilots in 2009 and 2011, which have included extensive training, full implementation of PEMS and its use for administrative purposes is foreseen for 2012. In anticipation of the pilots, extensive PEMS training was delivered to all eligible staff at headquarters and in the decentralized offices. As of July 2010, some 3 500 professional and general service staff across FAO have received this training.

Facelift at FAO headquarters

FAO has undertaken a number of renovations since 1994 to enhance the working environment of its headquarters in Rome. This has been possible due to generous contributions from the Government of Italy, FAO's host country, and other Member Nations. The initial renovations coincided with the 1996 World Food Summit, and the building entrance underwent radical changes: the Flag Hall was refurbished and a mezzanine floor was added to accommodate the Iran Room auditorium and a lobby area. A new reception hall opened in 1996 with additional renovation work in 2001–2002, and the FAO Atrium, inaugurated in November 1999, now provides space for meetings and exhibitions. In addition, meeting rooms have been refurbished, and several Member Nations have established official rooms and furnished them with state-of-the-art technology.

The ECTAD Crisis Management Centre (CMS) was established in 2006 to coordinate responses to crises in transboundary pests and diseases of animals and plants, as well as food safety crises. The renovation of the David Lubin Library, carried out by the Italian Ministry of Public Works and completed in 2006, houses the collection of over 1 million volumes within a single system to ensure safe keeping, while the newly renovated library offers space for consultation and research. The Italian Ministry of Public Works also renovated the central “Building E” to accommodate an FAO training centre, among other facilities. Other additions include the Angola Communication Centre and Radio-TV Studio, constructed to improve communication infrastructure at headquarters; an external entrance pavilion built near FAO's main entrance to improve security entrance procedures; and extensive improvements made to common areas since 1994. Most recently, FAO signed an agreement in 2010 with UAE for the construction of the “Sheikh Zayed Centre”, a new multimedia conference centre that will provide live broadcasting facilities and capacity-building infrastructure.

PHOTO 7

The FAO Atrium provides space for meetings and exhibitions.



FAO's focus on "greening" its footprint

Under the "Towards a Climate Neutral UN" framework and other sustainability initiatives, FAO has implemented a host of "greening" activities by collecting data related to its greenhouse gas emissions and developing an Environmental Management System. A strategy developed to make FAO a best-practice UN agency in the field of environmental sustainability and climate neutrality produced a greenhouse gas inventory for its operations in the field and headquarters. This helped to establish an understanding of the Organization's ecological footprint and provided a baseline to measure future reductions of negative environmental impacts. A 2008 study found that FAO had a carbon footprint of 51.094 tonnes of CO₂ equivalent (MTCO₂E) or 8.42 MTCO₂E per capita. In response, the Organization has implemented many initiatives, such as: installation of 50 water fountains in headquarters, which drastically reduced use of plastic bottles; replacement of heating/air conditioning systems to comply with EU regulations on ozone-depleting substances; and automatic insertion of a "green meetings" component into the organization of all large (and some small) meetings hosted at FAO headquarters. The goal of reducing per capita emissions by at least 6 percent at headquarters and field offices and 11 percent at headquarters alone is in line with a new Emission Reduction Strategy, which includes waste management, refurbishment of elevator lifts, and installation of a solar PV system and updated lighting system. In parallel to its greening initiative, the Organization is also actively seeking to reduce air travel for its employees, which constitutes the single largest contribution to greenhouse gas emissions.

FAO wants to stand up and be counted as a champion of the drive towards a climate neutral UN. Helping others to adapt to and mitigate the effects of climate change is part of our DNA. Tidying up our own act is a natural extension of that.

Jacques Diouf
Director-General, FAO

The Joint Advisory Committee on FAO Reform (JAC/FAR) was created by the Director-General in response to staff requests to play an active role in FAO reform. The Committee has fulfilled an important liaison function in engaging staff representatives with management. It has built on three important maxims: reform implementation is complex and the complexities can be better addressed through joint discussions; solutions are better and more sustainable; and staff representation is important to ensuring a balanced perspective.

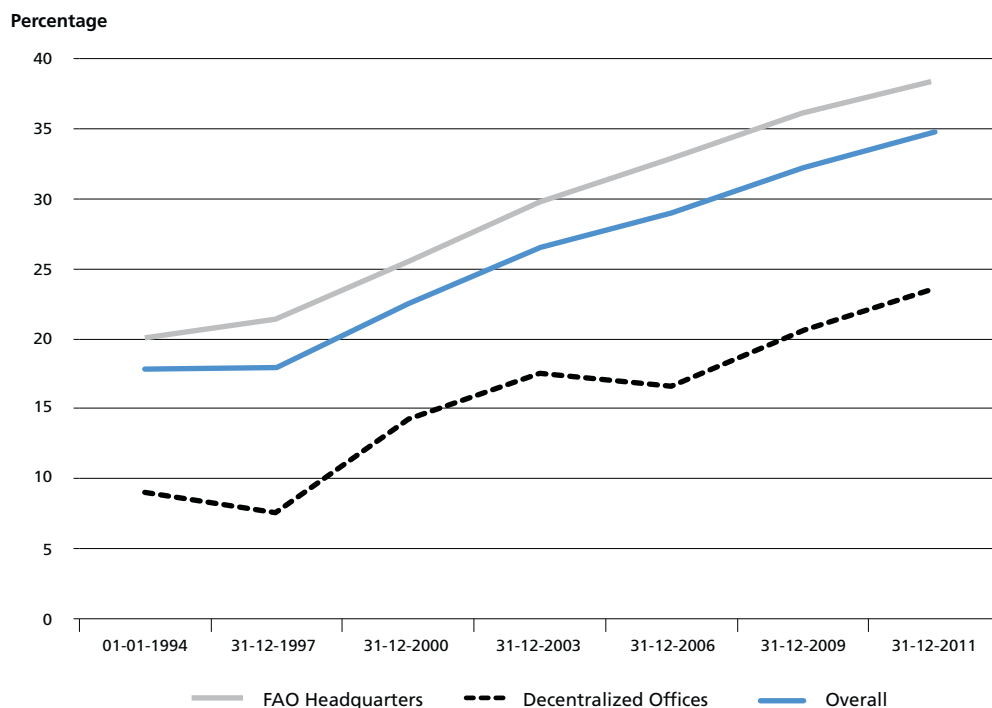
FAO staff – young, diverse and international

A focus on increasing and supporting diversity at FAO, in response to the requests of Members, has added value to the Organization.

Geographical representation. FAO has made a conscious effort to diversify according to national origin, proactively promoting a more equitable representation of FAO Members among FAO staff. Thus, 150 of FAO's 191 Member Nations are represented among FAO staff, with efforts continuing to further increase the

FIGURE 5

Percentage of female staff representation at FAO, 1994-2011



Source: FAO Number of Staff by Location, Grade and Gender, HR Management Information Report, CSHD 17/10/2011. Includes staff on Continuous or Fixed-term appointments on posts at the Professional and Higher levels budgeted in the PWB. Excludes DG, DDGs, NPOs and APOs.

percentage of represented countries. Recruitment missions, conducted to identify candidates from seriously under-represented countries, and targeted recruitment also contribute to redressing the geographic representation status of these countries.

Gender representation. FAO has made significant progress towards gender equality in its staffing, within the framework of an overall UN agency movement towards gender equality.¹⁸ As of mid-2011, the overall proportion of female staff in the Organization was about 50 percent, a significant increase from 42 percent in 1994. The proportion of females in the director and professional categories doubled in the period under consideration from 16 percent to 34 percent (see figure 5), with the largest increases occurring at decentralized offices where percentages almost

¹⁸ See, in particular, the 1995–2000 Strategic Plan of Action for Improvement of the Status of Women in the UN Secretariat, introduced in 1994. The target stated in this document was to achieve 50 percent gender parity by the year 2000. <http://www.un.org/documents/ga/res/50/ares50-164.htm>

tripled. With these achievements, the Organization exceeded its gender parity target of 33 percent for 2011. The Human Resources Committee is currently reviewing an HR strategic action plan on gender representation, finalized in December 2010.

Young professional representation. A number of evaluations have recommended that FAO rejuvenate its workforce by increasing the number of young professionals. The average age of staff joining FAO is 43.5 years, and 30 percent of the staff is over 55 years (UNJIU, 2007).¹⁹ To this end, FAO launched a Junior Professionals Programme (JPP) in 2010, targeting young professionals of age 32 and under in specific fields from developing countries. The first cohort of 18 junior professionals are already working in 13 diverse field locations. In addition, the Organization has implemented internship and volunteer programmes, providing opportunities for young graduates to volunteer their services for a short period to support the work of the Organization and, more broadly, to promote issues relating to food and agriculture.

Renewed emphasis on recruitment

Recruitment at FAO has always been very selective, covering technical skills as well as a series of competencies that determinate the fit between candidates and the Organization. In line with the Organization's overall HR strategy and to attract the best possible candidates worldwide, FAO took steps to streamline this process, increase its transparency and create a new category of personnel.

Streamlining. The measures to streamline and shorten the recruitment process have included: delegating appointment authority from the Director-General to department/office heads where appropriate; launching a user-friendly iRecruitment system; reducing the posting time of external vacancy announcements from two months to one; and requiring recruiting units to present their screened list of candidates to the Professional Staff Selection Committee (PSSC) within four months of vacancy closure. FAO has also developed a database of institutions to ensure wider publication of FAO vacancies.

Transparency. New procedures require announcements for vacant senior posts at the D-1, D-2 and Assistant Directors-General levels, as well as outreach approaches in identifying potential qualified candidates. These procedures require formulation of a shortlist with the best candidate(s) interviewed and assessed by senior management including, *inter alia*, the Deputy Director-General, the Directeur de Cabinet and the Assistant Director-General or head of the office concerned. The Director-General then makes the appointment, taking into consideration the assessment of the senior managers.

¹⁹ <ftp://ftp.fao.org/docrep/fao/meeting/013/k2484E.pdf>

National Professional Officers (NPOs). NPOs represent a new category of personnel recruited locally by decentralized offices, and not assigned to duty stations outside their home country. The service of NPOs is defined in accordance with prevailing conditions in the locality for other nationals carrying out functions at a similar level. This has resulted in considerable savings for the Organization.

CHAPTER 4

2006–2011 FAO renewal: a vision for the twenty-first century



FAO must adapt to the changes of the last 60 years if it is to rise to new challenges and profit from emerging opportunities. ... As with all other UN institutions and international organizations, the Organization has gone through difficult times. We have lately had to deal with more scarce resources and a more confrontational world characterized by the flight of more people from their homes due to civil wars. However, as is often the case, difficulties during that period gave us opportunities. We improved and became more efficient. We also ensured that the Organization was structured in a way that would be more in line with modern management; and I can say that today FAO is certainly fit to confront the challenges awaiting us in the next century.



Jacques Diouf
Director-General, FAO

In his speech to the FAO Council on 22 November 2004, the Director-General took stock of the changes in the external environment which were to some extent affecting the work of FAO, and announced plans to undertake a comprehensive review in order to ensure better coordination and integration with FAO's UN partners, especially at national level. This included reviews of all programmes and structures, to "better integrate them into the framework of the Millennium Development Goals."²⁰

■ Improving delivery and accountability

After his 2005 re-election to a third term, the Director-General presented his *Vision for the 21st Century* to the FAO Conference as a comprehensive proposal for reform. The Vision aimed to reposition FAO, based on the principles of empowerment and accountability, delegation of administrative and financial authority, self-evaluation and effective cost allocation. The proposals contained in the Vision redefined the Organization's programmes to reflect more accurately the three major thrusts of its work: (i) sustainable food and agricultural systems; (ii) knowledge exchange, policy and advocacy; and (iii) decentralization, UN cooperation and programme delivery.

²⁰ CL 127/PV, p. 3, translated from the French by the author.

The Director-General received the approval of the Conference,²¹ and the resulting reforms focused on improving delivery and accountability and, in particular, on ways to increase the efficiency and effectiveness of mechanics of delivery at country and regional levels. FAO introduced organizational measures and new financial incentives to foster cross-sectoral work in knowledge management and capacity building, especially with respect to emerging challenges such as climate change, natural resource conservation and bioenergy.

Independent external evaluation

The renewal process initiated in 2005 was further supported by FAO's first-ever independent external evaluation (IEE), undertaken in 2006 by an independent team of consultants drawn from throughout the world. It was recognized as one of the most comprehensive external evaluations ever undertaken within the UN system. The IEE sought to respond to four basic questions:

- What is the appropriate role for FAO in an international development architecture that is vastly different from 1945 when the Organization was founded?
- What are the needs of its constituents and the Organization's comparative advantages, and what is now required to ensure maximum relevance and effectiveness of FAO's normative and technical cooperation programmes?
- Are FAO's management and administrative practices and its organizational culture and structure fit for modern times and sufficiently flexible?
- Is the governance of the Organization exercising its dual roles of contributing to global governance, and ensuring an effective and relevant FAO with the ownership of all Members?

The findings and recommendations of the evaluation were submitted to the FAO Conference in November 2007. One of the most significant conclusions of the IEE was that "if FAO did not exist, it would need to be invented." According to the IEE, the world needed FAO, but FAO needed to transform itself in order to better address the challenges of the twenty-first century.

The IEE confirmed that FAO offered a range of essential goods and services that no other organization could adequately provide, such as a global and neutral forum on food and agriculture, and a full range of technical disciplines in line with the challenges that agriculture will face in the future. The authors also underlined issues that needed to be addressed urgently by FAO's governing bodies and its secretariat, but stressed that this necessary renewal should be predicated on "reform with growth". In addition to substantive reforms in the directions discussed in the evaluation, this would require additional resources and, according to the evaluation, the two would have to move hand-in-hand – neither could happen without the other.

Immediate Plan of Action for FAO Renewal

The FAO management and Conference welcomed the 2007 IEE report; however, the next step required translating its extensive findings and recommendations into

²¹ Resolution 6/2005.

an effective, operational programme of change. For this reason, a Conference Committee worked intensively during 2008 to develop an Immediate Plan of Action (IPA) for FAO Renewal. This was adopted by a special session of the Conference in November 2008.²² This Plan of Action set the framework for a process of change for FAO and provided a clear timetable for the first steps on that road.

At the time of writing in late 2011, significant progress has been made in the implementation of the IPA in six thematic areas that roughly follow themes identified in the IEE, namely: (i) managing for results, (ii) functioning as one, (iii) administrative efficiency, (iv) culture change, (v) human resources and (vi) governance.

Root and Branch Review

In response to the IEE's recommendation for a thorough review of FAO's administrative services, the Organization approached consulting firm Ernst & Young to conduct a study. In April 2009, the firm submitted a Root and Branch Review (RBR) report. This was perceived as a critical instrument for streamlining FAO's administrative and financial systems, with the twin aims of making them more effective and reducing costs. The scope of the RBR was twofold. First, it provided the Organization with a thorough analysis of the recommendations contained in the IEE in areas such as administrative and support functions and processes (finance, planning and budgeting, information technology, human resources, procurement, administrative services), as well as the coordination, authorization and administrative activities of other organizational units, such as the Technical Cooperation Department, the Office for Coordination and Decentralization and related functions within decentralized offices. Second, it provided FAO with a set of actions aimed at achieving substantial effectiveness gains over the seven-year 2009–2015 period, and improving cash savings, which have been estimated at US\$43.3 million (of which US\$27.5 million is tied to Regular Programmes and US\$15.8 million comes from extrabudgetary contributions).²³

Strategic Framework 2010–2019. The 2010–2019 Framework, adopted by the FAO Conference in 2000, restates the FAO vision of a world free of hunger and malnutrition, where food and agriculture contribute to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner. It also renews three global goals for the future of FAO:

- Reduction of the absolute number of people suffering from hunger, progressively ensuring a world in which all people at all times, have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
- Elimination of poverty and the driving forward of economic and social progress for all with increased food production, enhanced rural development and sustainable livelihoods;

²² C 2008/REP.

²³ Progress report on IPA implementation and Trust Fund budget situation, and update on the Root and Branch Review report, 5 June 2009, (<http://www.fao.org/uploads/media/FINAL%20CoC-IEE%20report%205%20June.pdf>).

- Sustainable management and utilization of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.

FAO builds donor confidence: adoption of International Public Sector Accounting Standards (IPSAS)

The adoption of International Public Sector Accounting Standards (IPSAS) represents one of the most important innovations endorsed by the IEE and RBR, and implemented through the IPA. The standards represent best practice in financial reporting for governments and not-for-profit organizations. They have been adopted by United Nations system organizations to improve the quality, comparability and credibility of financial reporting. The adoption of IPSAS will enable FAO to provide Members and donors with better information and assurance on the efficient use of resources, and the increased credibility of FAO financial reporting will result in higher donor confidence and strengthen donor relations.

FAO Members have strongly supported the adoption of IPSAS, and the Organization has responded by establishing itself at the forefront of development of the UN system IPSAS-compliant accounting policy, through its role within the IPSAS Steering Committee and the UN Task Force on Accounting Standards. FAO established an IPSAS project team led by the Finance Division to carry forward the implementation of IPSAS within the Organization. The team has been working with a wide range of accounting system users at headquarters and decentralized offices.

As part of the IPSAS implementation effort, a full deployment of corporate systems to decentralized offices is planned. This will be made possible by the improved Wide Area network connectivity and features offered by the new release 12 of the FAO Oracle-based Enterprise Resource Planning (ERP) systems. The new systems will also provide corporate support to human resources, procurement and travel management in all FAO locations, a pillar to FAO functioning as one.

Results-based management. Results-based management (RBM) ensures that all of an organization's processes, products and services contribute to the achievement of its goals, thus enabling the Organization to be effective in addressing the problems for which it was created. FAO's adoption of RBM represented a major innovation for the Organization, expanding its focus to include the impacts of its activities.

By addressing the overall trends and challenges facing food, agriculture and rural development, FAO's new results-based approach provides a structured means for focusing on the opportunities where the Organization is best placed to intervene,



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PHOTO 8

FAO was among the first UN agencies to establish an Internet presence.

thereby leveraging its comparative strengths *vis-à-vis* other development partners. FAO was among the first UN organizations to adopt RBM and, in fact, some FAO strategic procedures, implemented in the early 2000s, already contained results-based principles. FAO invested substantial resources in the development of new results-based management systems following the IEE, and in 2009 put an improved RBM framework in place. Since then, the Organization has achieved many of the benchmarks set in 2004 by the Joint Inspection Unit, the United Nation's independent external oversight body.²⁴

During 2010–2011, the Organization carried out a set of actions for reform of programming, budgeting and results-based monitoring, which covered four main areas of work represented in the IPA and RBR:

- Introduction of a revised results-based management monitoring system;
- Multidisciplinary teamwork and involvement of decentralized offices;
- Adjustments to the Medium Term Plan and Programme of Work and Budget (MTP/PWB) throughout the new cycle of governing body decision-making;
- Redesign of the planning and budgeting model and structure of the PWB.

See Annex 3 for details of RBM in action along with further explanation of FAO's Strategic Objectives, Core Functions and Organizational Results.

Knowledge management

FAO has aligned its role as a knowledge organization with its adoption of a host of communication and knowledge management systems and tools to increase efficiency, while remaining focused on cost effectiveness.

Information systems

In the early 1990s, FAO's technical information systems were based on multiple technology platforms and utilized various databases, and a number of disconnected administrative information systems were hosted in a mainframe environment. The

The wide adoption of advanced strategic planning and results-based budgeting principles is probably the most important change, at least in conceptual terms, which has occurred in the management of FAO since 1994.

UN Joint Inspection Unit,
2002

²⁴ Implementation of Results-Based Management in the United Nations Organizations (JIU/REP/2004/6) (http://www.unjui.org/data/reports/2004/en2004_6.pdf).

situation has changed considerably since then. FAO has now adopted and supports open standards. Common databases have overcome limited and restrictive information system silos and provide a flexible, portable and scalable solution in support of country-based information systems. In addition, FAO has developed common solutions to technical information system requirements to provide more effective and efficient usage of resources and ensure improved quality and support.

Web presence. FAO was among the first UN agencies to establish an Internet presence, while its data holdings, available to all through the Internet, remain among the largest in the UN system. The FAO Statistical Database (FAOSTAT) has been globally accessible via the Internet since 1995. Advances in information system technology have enabled FAO, with limited resources, to expand its Web presence from just one to well over 200 globally accessible technical information systems in the past 15 years, making FAO's technical information more easily available to people all over the world. A key element contributing to this achievement was the consolidation of content management systems and the implementation of collaborative tools.

Data management. FAO data management solutions allow users to prepare, document, organize, maintain, categorize, validate, ensure the integrity of, coordinate and publish technical data. This approach will culminate with the addition of a secure and scalable technical information repository, scheduled for roll-out during 2011, that will store, maintain and leverage the collected technical data used across various technical domains.

Technical systems. FAO technical experts can now share needed information with Members through systems such as the Transboundary Animal Disease Information System (TAD*info*) and the Pesticide Stock Management Information Systems (PSMS). Systems such as the Emergency Prevention System for Transboundary Animal and Plant Pests and Diseases (EMPRES) and the Joint FAO/WHO Expert Committee on Food Additives (JECFA) deliver technical programmes, while others such as FAOSTAT and GeoNetwork consolidate information across technical domains. Interagency collaboration is promoted through systems such as the Global Early Warning and Response System for Major Animal Diseases (GLEWS).

Neutral forum. Over 80 official meetings are held at FAO each year, including governing body meetings, conferences and other major events. By hosting these meetings FAO provides a neutral forum for dialogue and decision-making. This also requires a significant amount of work on the part of the divisions involved, plus a major financial commitment from the whole Organization. Several important changes introduced since 1994 have modernized working procedures and methodologies in the main areas of meeting planning, translation and terminology and printing. These services, in particular, have undergone a number of reforms that have made them leaner and more efficient. Overall, they represent a change in the

way the Organization communicates with its Members and the public at large, and a remarkable advance in organizational transparency.

Communication with Members. Two Web-based tools have radically improved the way that FAO communicates with its Members: the Permanent Representatives Web-site (PRWS) and the FAO Governing and Statutory Bodies Data Base (GSBD). The PRWS is a dedicated Web-site customized for the use of FAO's Permanent Representatives, and includes a Web mail function which has replaced correspondence on paper. The GSBD is available to the public at large and gives background data on FAO governing and statutory bodies, including on-line documents and reports. Only programme documents such as the Programme of Work and Budget are distributed as printed copies ahead of meetings. FAO has also introduced a new tool for planning and monitoring the submission and production of documentation for Governing Body sessions, and improving internal workflow for production of in-session documents and draft reports. The digitization and centralization of printing services, between 1996 and 1998, enabled full implementation of the electronic distribution of meeting documents, saving on costs of printing and paper and reducing staff costs. Internal storage of meeting documents has been eliminated and storage of publications has been reduced to the minimum and transferred to an external warehouse.

Protocol services. Some protocol services have been digitalized, i.e. the issuing of Italian Ministry for Foreign Affairs identity cards to FAO and WFP staff members as well as to personnel of independent Permanent Representations to FAO. The processing of visa requests for field missions and the renewal of UN Laissez-Passers are services also extended to other Rome-based agencies, with consequent savings.

Languages. In 1999, computer-assisted translation tools (CATs) were introduced as part of the effort to use new technologies to enhance quality and consistency of documents and productivity. The tools include a terminology management system, which supports Arabic, Chinese and Russian characters, and a Web-based interface. These tools can be customized to give the widest possible access to FAO terminology. Since 1998, virtually all in-session translation for meetings held outside head-

We reduced the print run of meeting documents from 60 million pages a year to 10 million without reducing the service to Members, by giving them immediate access to documents on the Web.

FAO Senior Officer

FAO knowledge online: AGORA

FAO works in partnership with over 60 commercial publishers on Access to Global Online Research on Agriculture (AGORA). This innovative Internet-based service is part of the Research4Life initiative, through which several United Nations agencies broker provision of thousands of scientific journals to more than 100 countries, at little or no cost. More than 2 500 institutions from 107 countries have registered for AGORA.

Reduced print runs for meeting documents and increased ecological awareness

FAO used to print sets of documentation for each delegation invited to governing body meetings. Progressively, FAO reduced the number of printed documents, and now posts all relevant documentation on its Web-site. When the Internal Printing, External Printing and Distribution units were merged in 2010, the printing and distribution policy was also changed in an attempt to reduce print runs and increase on-demand printing. The maximum length of documents for governing body meetings was reduced from 6 400 to 5 000 words. Implementation of these e-printing policies and procedures resulted in an approximately 14 percent reduction of black and white printing and a further 80 percent reduction in the number of documents printed by FAO for meetings.

quarters is provided via link-up to Rome and, in addition, all in-session documents and reports of regional conferences are also translated from Rome. This enables conference organizers to save on travel and daily subsistence allowance costs for translators. FAO was the first UN agency to fully implement remote translation.

■ Culture change

The culture of an organization, generally recognized as one of the key factors for its success, generally refers to the values, shared assumptions and beliefs, principles and norms underlying the way in which an organization conducts its business.²⁵ In this context, the IEE thoroughly reviewed FAO's organizational culture in 2007, and described it as an "over-managed" organization.²⁶ Following the IEE, in 2008 the Director-General initiated an ongoing programme of culture change, which is meant to: (i) enable a more effective, dynamic and high-performing organization which responds to the demands of its constituencies, and (ii) create conditions that address the aspirations and goals of its staff to deliver their best in a work environment which enables high performance, supports professional opportunities, and attracts employees of high calibre.²⁷ The objective of this programme is to bring about and sustain a culture that is more results-focused, interdependent, entrepreneurial, accountable, and committed to the mission, leveraging on the skills and networks of people and engendering mutual respect among employees at all levels.

In August 2008, a 15-member Culture Change Team (CCT) was set up under the guidance of the Deputy Director-General to carry out a series of employee

²⁵ Report on Managing Change, 2008 (FAO Internal report).

²⁶ FAO IEE, 2007, Chapter 6.

²⁷ Kramer Report, 2009 (FAO internal report).

engagement activities to raise awareness and encourage broad buy-in for change. This culminated in the launch of FAO's Internal Vision Statement in November 2009, and proposals for culture change in the areas of inclusive work environment, recognition and rewards, and career development. The participatory processes used to develop the Internal Vision Statement and culture change proposals broke new ground within FAO, with a ripple effect felt across the Organization.

During 2010, a second Culture Change Team was established. There was increased use of participatory processes for work planning and decision-making, larger numbers of facilitated events, greater levels of information and knowledge sharing, and renewed efforts to improve internal communications. For example, more than 500 employees gathered at headquarters for Staff Day, and were joined by others from Accra, Ankara, Bangkok, Budapest and Cairo via video-link; and a leadership workshop, organized by the two Deputy Directors-General, identified strategic entry points for collaboration between the Technical Cooperation Department and the other technical departments.

At the beginning of 2011, the Director-General launched the Organization's first all-employee survey on FAO renewal, open to all employees, irrespective of contract type or location. It covered employees' knowledge of and attitudes towards FAO as a whole; working environment and relationships; understanding and support for the reform effort; and employee communication needs. The resulting 77 percent response rate, with more than 4 700 employees providing input, reflected employees' genuine interest in FAO's renewal. A workshop was held in response to the FAO Staff Survey Results, which has resulted in a draft proposal for action at a corporate level in areas where significant concern was expressed by FAO staff.

A Culture Change Strategy and Plan of Action was also developed in 2011 for implementing culture change at FAO. Three key domains of the desired culture were identified (people, performance and partnerships) along five dimensions/pillars: Valuing People; Ensuring Professional Excellence; Enhancing Performance; Working as One FAO; and Strengthening Partnerships. Three initial priority areas for culture shift action were agreed upon: Teamwork and Collaboration; Leading to Engage, Enable and Empower People; and Accountability for Results. The Strategy also emphasized the need for complete alignment with and between all IPA projects; the full engagement of FAO leadership as sponsors of change; and the development of evidence-based indicators designed to measure progress towards the desired new organizational culture at regular intervals. A framework and action plan to improve teamwork and collaboration in FAO was then approved, and local change teams have been established both at headquarters and in the field to engage with each other on change-related issues, to suggest proposals for innovation to improve organizational performance.

When I returned in 2011 after three years in a decentralized office, I found a different feeling at HQ. People have accepted the idea of working in teams and, as we are planning work under a particular objective, it's no longer about protecting my turf and fighting boundary wars but, instead, it's "let's work out a solution that is best for our member countries".

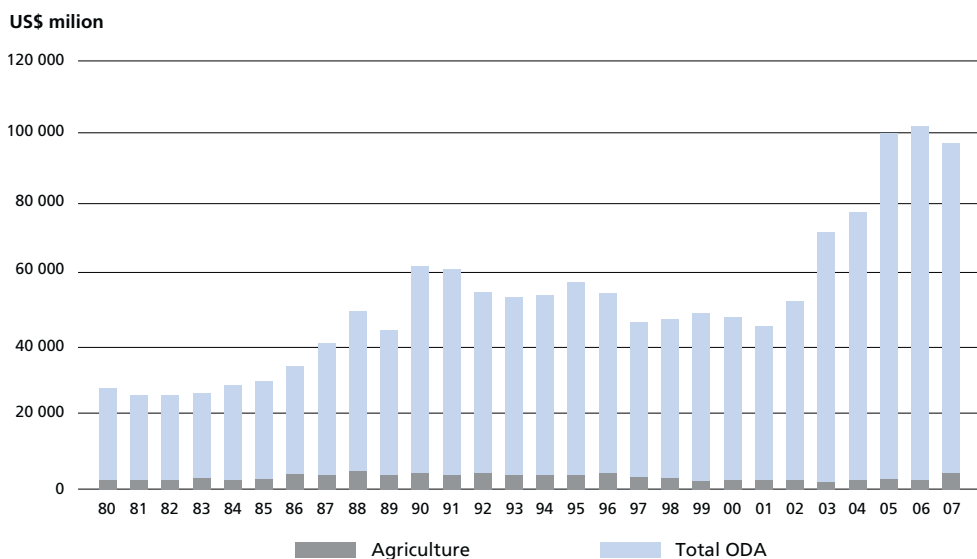
Jacques Diouf
Director-General, FAO

■ Keeping hunger on the global agenda

In the 1980s and 1990s, as agriculture, rural development and food security received lower priority on the international agenda, FAO felt the impact more severely than

FIGURE 6

Aid to agriculture as a percentage of total official development assistance



Source: OECD.

other development organizations. In response, the Organization's management launched several initiatives to refocus attention on the critical role of agriculture in world food security. These initiatives targeted multiple audiences, ranging from the general public to high-level policy-makers, and used multiple approaches, ranging from involving celebrities and football players to employing social networking and making use of the most up-to-date technological tools. These efforts have had positive results. Agriculture is now back on the world agenda and FAO leads the way in international advocacy for food security and nutrition.

Sharing information and communicating knowledge are inherent in FAO's work; yet, positioning the Organization as a key player in international affairs and development debates, maintaining its visibility and media profile and promoting its virtues and strengths are also crucial corporate activities. In today's interconnected world, FAO focuses on providing information quickly and making it accessible to all, a fundamental approach for keeping hunger high on the world agenda.

World Food Summits

1996 World Food Summit. The World Food Summit (WFS), convened by FAO, represented the first-ever global gathering to focus exclusively on food security at the highest political level. On this occasion, heads of state and governments issued the Rome Declaration on World Food Security, which called for the number of hungry people in the world to be halved by 2015.

2002 World Food Summit: *five years later*. Recalled by the Director-General to reaffirm their commitment, participants responded by launching the International Alliance Against Hunger.

2008 High-Level Conference on World Food Security. The High-Level Conference of 2008 focused on the impact of climate change and the biofuel boom on food security and food prices. It adopted a resolution to increase assistance and investment to developing world agriculture.

2009 World Summit on Food Security. FAO convened the World Summit on Food Security after estimates showed the number of hungry people had soared to 1.02 billion. The Summit aimed to inject new urgency into the fight against hunger. Meeting participants from 182 countries and the European Community unanimously adopted a declaration pledging renewed commitment to eradicate hunger.

■ Partnerships and alliances

FAO's work is inspired by a vision of key partnerships and strong alliances to enhance its capacity to assist its Members to achieve their global goals and to help accelerate progress towards the MDGs. Recognizing the value that partnerships add to the work of the Organization and its performance in the international governance of agriculture and agricultural development, including in fisheries and forestry, FAO strives to mobilize the world's best knowledge and capacities in these fields.

FAO's partners include other entities of the United Nations system. FAO has a particularly dynamic and strong collaboration with the other Rome-based UN agencies: the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP).

FAO also collaborates with international financing institutions (IFIs), such as the World Bank, as well as other intergovernmental entities. FAO collaborates with a number of bilateral donor agencies and regional or subregional institutions, including regional development banks. The Organization maintains linkages at different levels with the International Agricultural Research Centres (IARCs) of the Consultative Group on International Agricultural Research (CGIAR) and collaborates with other research and academic institutions.

FAO partners with civil society, including people's organizations and NGOs, the private sector and foundations. The Organization further engages in a variety of formal institutionalized partnerships and less formalized networking arrangements. Moreover FAO provides an opportunity for other organizations, individuals, governments, civil society, and academia to be involved in the global fight against hunger through various initiatives.

PHOTO 9

The “Variety and Seed Industry Development Project” supports private sector seed and planting materials industry in Afghanistan.



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Intergovernmental organizations are split evenly among global and regional bodies, of which some 75 percent have highly specific mandates, and almost 20 percent are secretariats to international conventions.

International financial institutions are present in virtually all of FAO’s programmes. Over 50 percent of the collaborative initiatives involve the World Bank, and almost 25 percent involve IFAD.

NGO and CSO (civil society organization) partners traditionally included rural and urban people’s organizations, NGOs and their networks, and think tanks, but this group has now expanded to include human rights organizations and not-for-profit media. NGO and CSO participation in FAO regional conferences rose from 62 organizations and 98 participants in 2008, to 103 organizations and 150 participants in 2010.²⁸ NGOs and CSOs have proven a strong ally of the global agenda on food and agriculture, notably during the 1996 and 2002 World Food Summits, culminating in the adoption of the Voluntary Guidelines to the Right to Food in 2004 and the reform of the Committee on World Food Security in 2009/2010. FAO’s renewed strategy for partnerships with NGOs/CSOs takes into account the evolution of civil society in recent years, while building on the recommendations of external evaluations, reviews, consultations and other UN practices. This renewed strategy sets the tone for FAO to develop and implement new mechanisms to work with civil society at global, regional and country levels. For example, FAO hosts the Secretariat of the International Alliance Against Hunger and Malnutrition (IAAH), which contributes to the MDGs through its support of National Alliances in both developing and developed countries.

Private sector partnerships are increasing rapidly both in quality and quantity. The FAO definition of the private sector includes, amongst others, private sector associations, private foundations, small and medium enterprises, large multinationals,

²⁸ Report of the CoC-IEE to the Conference on the Immediate Plan of Action for FAO Renewal C2011/7.

Reform of the Committee on World Food Security (CFS)

The CFS was established in 1974 as an intergovernmental body for review and follow-up of policies concerning world food security. Recognizing that effective food security governance requires integration and coordination among countries, organizations and other stakeholders at both the local and global levels, the Committee went through a major reform in 2009, aimed at making it the most inclusive international platform on food security and nutrition for all. CSOs, NGOs and the private sector have played a key role in this process and the reformed CFS now has a structure that allows input from different stakeholders at global, regional and national levels.

While final decisions in the reformed CFS are taken by Member States, meaningful discussions to arrive at such decisions include various stakeholders, such as international organizations, civil society and non-governmental organizations, private sector organizations, international financial institutions, and representatives of the international agricultural research system. The aim is to ensure that these decisions have a high degree of political legitimacy and gain resonance and effectiveness on the ground. To strengthen the scientific base for decision-making, the reformed CFS has set up a High Level Panel of Experts on Food Security and Nutrition (HLPE) composed of world-class practitioners in the field. This body creates an interface between available knowledge and public policy, and plays an important role in identifying and analysing emerging issues in food security and nutrition. The HLPE makes recommendations which are considered and negotiated by the CFS stakeholders.

and academic, research and financial institutions. FAO's broad and longstanding experience in working with the private sector has notably focused on the policy environment. It has also striven to enhance the capacity of global and regional producers' organizations and cooperatives, business and industry in the value chain of food and related agricultural goods and services, and small and medium-size enterprises in developing countries. The FAO Strategy on Partnerships with the Private Sector, recently welcomed by the Programme and Finance Committee, builds on the FAO Principles and Guidelines for Cooperation with the Private Sector adopted in 2000,²⁹ the UN framework for enhanced collaboration with the private sector,³⁰ the IEE and IPA. The purpose of the Strategy is to enhance the development of a proactive approach to partnerships with private sector entities that effectively contribute to the fulfilment of FAO's strategic objectives, while safeguarding FAO's impartiality and neutrality. FAO has adopted the due diligence

²⁹ The FAO Principles and Guidelines for Cooperation with the Private Sector are currently being revised.

³⁰ Comprising the 2011 Guidelines on Cooperation between the United Nations and the Business Sector and the UN system policy framework spearheaded by the UN Global Compact.

process³¹ for review of prospective private sector partnerships, in line with UN-wide best practices. Furthermore, the reformed Committee on World Food Security (CFS) (see box above), has benefited from a newly constituted and very engaged large private sector constituency coordinated by the International Agrifood Network (IAFN).

Private foundations. The proliferation of private foundations has had an impact on development in general, but on FAO in particular, as several foundations have priorities that match FAO's mandate. For example, CountrySTAT has been proposed as the framework and tool to compile, organize and disseminate food and agriculture statistics in 17 sub-Saharan countries, thanks to a US\$6.4 million grant from the Bill & Melinda Gates Foundation in 2008.³² In another example, a US\$1.5 million grant from the Rockefeller Foundation in 2009 enabled FAO's "Livelihood support to drought-affected populations in Eastern Africa" initiative to assist 887 000 households in Kenya, Ethiopia and Uganda.

Multinationals. Cooperation with multinationals can also be effective. For example, in 2008 Price Waterhouse Coopers provided €444 190 to an FAO emergency project to support farmers in Myanmar who were victims of the cyclone Nargis, through distribution of draught animals for cultivation, emergency supply of agriculture inputs, and transfer of technical know-how to support rebuilding of livelihoods in a sustainable manner. Through a partnership established in relation to the 2008 food price crisis, Edenred (ex-Accor S.A.) supported a small and easily replicable project with a €50 000 grant in 2009 to improve distribution and tracking in a Government of Mali subsidy programme for agricultural inputs. This partnership focuses on analytical/research work by FAO on a fertilizer voucher scheme.

Research and academia. FAO has more intergovernmental than non-governmental partners.³³ Research and academic institutions are the most significant category collaborating with FAO, both in terms of quantitative significance and number of collaborating organizations. By far, FAO's most important partner within this category is the Consultative Group on International Agricultural Research (CGIAR) with its 15 International Agricultural Research Centers (IARCs). Linkages at the governance, strategic planning and programmatic levels provide information exchange and normative and technical activities. They cover the full spectrum of FAO's work and involve the development of the Global Strategy for the Management of Farm Animal Genetic Resources, the livestock, agri-business, biotechnology and seed sectors, and control of transboundary animal diseases.

³¹ The due diligence pre-screening evaluates potential FAO corporate risk factors and common UN criteria for each assessed partnership.

³² Partnerships with Civil Society and Private Sector Branch OCEP, 2011

³³ FAO Evaluation of Partnerships and Alliances, 2006.

UN relations

In times of crisis and transformation, FAO's assistance can be more efficient and contribute to better and more relevant development outcomes and higher impact when the UN system is working more cohesively. FAO therefore collaborates with other UN entities at the global, regional and country levels. Looking ahead, there is no going back to an isolated manner of working. Apart from FAO's own institutional conviction that partnerships work, the multilateral cooperation agenda embodied in the UNGA Triennial (Quadrennial) Comprehensive Policy Review (TCPR/QCPR) resolutions, UNGA resolutions on UN System-wide Coherence, resolutions adopted by the UNGA on the MDGs, and fundamental agreements such as the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action, puts an increasing emphasis on tighter collaboration among UN entities.

Besides FAO's own renewal process, the reform of the United Nations development system constitutes the institutional context in which FAO has worked since 1994. At the global level, FAO also pursues its objectives through the UN system Chief Executives Board for Coordination (CEB) and its three pillars, the High-level Committee on Programmes (HLCP), the High-level Committee on Management (HLCM) and the UN Development Group (UNDG). In 2002, FAO was in fact one of the first UN specialized agencies to join the UNDG, thus bringing the perspectives of UN specialized agencies with their particular business model and mandates into UN system and intergovernmental outcomes.

As a sign of its commitment to strengthening UN system collaboration, FAO held the UNDG vice-chairpersonship in 2009/2010. Internally, to respond to increasing demands for coordination, FAO also established in 2010 the CEB Committee and UNDG Coordination Network, with focal points from different headquarters units and decentralized offices.

At the country level, thanks also to increased decentralization, FAO is a full member of UN country teams. Through contributing to common country programming, and in particular UN Development Assistance Frameworks (UNDAFs), as well as exploring new ways of doing business, the Organization is better able to support country programme priorities, commitments and needs in agriculture, rural development and food and nutrition.

In particular, FAO has prepared, jointly with WFP and ILO, the UNDG Guidance Note on Integrating Food and Nutrition Security in Country Analysis and UNDAF. Furthermore, FAO has actively participated in the UN Secretary-General's Delivering as One United Nations pilot initiative since its inception in 2007, which has helped to better position the UN system for value-added policy dialogue, capacity development and advocacy grounded in international human rights and other norms and standards, and in support of global public goods.

Rome-based UN agencies. FAO, IFAD and WFP, the three Rome-based UN food agencies, have increased their interagency collaboration at the policy, operational and administrative levels with a common vision to address world food security on the basis of a "twin track approach". This approach, now embedded in the

FAO/IFAD/WFP Common Procurement Team

In 2010, the three Rome-based agencies FAO/IFAD/WFP banded together to launch a Common Procurement Team (CPT) for joint tendering of commonly procured HQ goods, works and services on a pilot basis. The pilot CPT is a small team of professional peers and support staff, internally coordinated, hosted at FAO, utilizing the IFAD and FAO e-tendering system, drawing upon best practices of all three agencies, and working towards harmonization and optimization. The Team brings together resources, tools, expertise and experience from the three agencies, generating benefits and savings through co-ordination, leverage and economies of scale, helping to formalize areas of harmonization in line with best practices.

Comprehensive Framework for Action (CFA),³⁴ recognizes that short-term direct action is needed to alleviate hunger for the most vulnerable, while longer-term food and nutrition assistance and rural development and appropriate policies are needed to eliminate the root causes of hunger and poverty.³⁵

The three agencies developed “Directions for Future Collaboration”, which identifies a four-pillar framework for collaboration: (i) policy advice, knowledge and monitoring; (ii) operations and improving collaboration at field level; (iii) advocacy and communication; and (iv) administrative collaboration.

In recognition of the need for strengthened coordination among the three agencies, FAO, WFP and IFAD developed their joint Strategy Paper “Directions for Collaboration among the Rome-based Agencies”, endorsed by the governing bodies of the three organizations in 2009. The objective of the Strategy is to strengthen the capacity of the three agencies to achieve their goals in providing guidance and support to the international community and to assist member countries in achieving the MDGs, especially Goal 1 to eradicate extreme poverty and hunger. To realize these goals, FAO, WFP and IFAD agreed on the need to tackle the immediate food and hunger crisis as well as to consider the longer-term priorities for joint action. The Strategy sets out a four-pillar framework for collaboration: i) policy advice, knowledge and monitoring, ii) operations, improving collaboration at field level, iii) advocacy and communication, and iii) administrative collaboration. It further identifies five topical areas for focus in the immediate and medium term. Moreover, the three agencies agreed that in taking the Strategy forward three action plans³⁶ would be piloted. The action plans have been imple-

³⁴ High-level task force on the global food security crisis produced in 2008. <http://www.un.org/issues/food/taskforce/Documentation/CFA%20Web.pdf>

³⁵ Directions for Collaboration among the Rome-based Agencies, 2009.

³⁶ Information Systems for Food and Nutrition Security, Joint Communication and Advocacy, and Transition from Relief to Development.

mented, providing lessons for mainstreaming into the regular activities of the three agencies.

The recent crises (food, financial), price volatility and emergencies have further underscored the importance of collaboration among the three agencies. Achievements such as the signing of the Statement of Intent by the Rome-based agencies and the European Commission on June 2011, and the establishment of the global Food Security Cluster jointly led by FAO and WFP are milestones in this regard.

Communication and public outreach

FAO's role as a knowledge-based and information-sharing organization implies a crucial role for communication to ensure that its knowledge and information reaches the people and places where it can have a practical impact, and raises public awareness of issues of hunger, malnutrition and poverty.

Communication has a major role in FAO's efforts to rally support for a world without hunger and lobby for more investments in agriculture. In this context, FAO adopted its first Communication Policy and Strategy in 1999, which called for coordinating messages related to its overall mandate, and for honing messages for specific audiences to meet the priorities of the Organization. FAO has always adapted its external communications through various means including campaigns, radio and video productions, and more recently social media.

Global media. Each year, FAO and its efforts to stem world hunger are featured in thousands of newspaper articles, TV and radio broadcasts, and online features by news organizations from around the globe. The FAO media relations team issues on average more than 150 news releases via the online FAO Media Centre and arranges more than 500 interviews by FAO experts. Support of this media outreach comes from a modern video and radio and studio complex used for producing and disseminating live or recorded radio interviews, video productions from the field, and Webcasting or streaming of FAO events.

Online presence. Visits to the user-friendly FAO Web-site increased from 774 000 in 1997 to more than 43 million in 2011. Since the beginning of its online presence in the mid-1990s, fao.org has been a primary tool for corporate communication; increasing the organization's visibility; facilitating the flow of information between FAO and its Member Nations; disseminating multilingual technical information, data and knowledge; and providing information on its internal structure, organization and governance.

Social media. FAO has established its presence in several key networks, starting with YouTube in 2007, followed by Facebook, Flickr and Twitter at the beginning of 2009, and Google+ in 2011. The Organization is also active in a number of newer networks such as Jumo and Ammodo, monitoring trends in order to be ready for other emerging social media tools. FAO uses social networks to share its campaigns and events, and publish research, reports and policy briefs in real

List of World Food Day since 1994

- 2011 – Food prices – from crisis to stability
- 2010 – United against Hunger
- 2009 – Achieving Food Security in Times of Crisis
- 2008 – World Food Security: the Challenges of Climate Change and Bioenergy
- 2007 – The Right to Food
- 2006 – Investing in agriculture for food security
- 2005 – Agriculture and intercultural dialogue
- 2004 – Biodiversity for Food Security
- 2003 – Working together for an International Alliance Against Hunger
- 2002 – Water: source of Food Security
- 2001 – Fight Hunger to Reduce Poverty
- 2000 – A Millennium Free from Hunger
- 1999 – Youth Against Hunger
- 1998 – Women Feed the World
- 1997 – Investing in Food Security
- 1996 – Fighting Hunger and Malnutrition
- 1995 – Food for All
- 1994 – Water for Life

time with the general public. During important FAO events, FAO sends live reports via Twitter, providing journalists and others with key information updates. During the Emergency Meeting on the Horn of Africa in August 2011, the first-ever FAO Tweet-up with practitioners potentially reached about 5 million users. The @FAO news account has grown steadily since its creation and currently has 26 000 regular followers and consistently earns a high ranking by the Klout 39 rating.

Public campaigns. FAO's global campaigns to increase awareness among the public of food and agricultural issues focus on achieving the highest possible impact in terms of people reached and impact at advocacy level.

World Food Day, held since 1981 on 16 October and observed in over 150 countries, chooses a different theme each year to focus global attention on specific aspects of the work of FAO in reducing hunger.

TeleFood is an annual fundraising and advocacy campaign of broadcasts, concerts, sporting events and other activities that harness the power of media, celebrities and concerned citizens to help fight hunger. Established after the 1996 World Food Summit, some 130 countries have been involved in TeleFood, which has raised US\$29 million to support small-scale projects worldwide.

FIGURE 7

TeleFood projects by region

REGIONS	Numer of countries with TeleFood projects	Number of projects in the region
Africa	43	1 306
Asia	18	345
Europe	10	133
Latin America / Caribbean	33	627
Near East / North Africa	12	222
Pacific	14	163

Source: FAO.

Professional Football Against Hunger was launched in 2007 in all the stadiums of the first division of the Spanish Banco Bilbao Vizcaya Argentaria football league. It was extended to the Association of European Professional Football Leagues (EPFL), the Confederation of African Football, the South American Football Confederation, the Asian Football Confederation and the French Football Federation. The European Professional Football Against Hunger solidarity campaign, launched the same year, brought the issues of food security and malnutrition into 157 stadiums in 14 countries across Europe, and other football-based events supporting the fight against hunger took place in Angola, Brazil and Chile. In 2011, the



PHOTO 10

The European professional football leagues and FAO raise awareness about hunger.

PHOTO 11

FAO Goodwill Ambassador Carl Lewis helps children plant fruit trees in a school garden, Haiti.



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Asian Football Confederation raised US\$410 000 for TeleFood projects in the Asian region.

The **1billionhungry project**, launched in November 2009, represented FAO's response to a rise in the number of hungry people in the world, and relied in large part on new technologies, especially social media, to spread its message. With unprecedented media coverage through support from public figures, associations, local events of all kinds, and non-traditional media outlets such as *Elle* magazine in Spain and BBC Digital Planet, more than 3 million people to date have signed a petition to end hunger. A number of NGOs and UN agencies have joined the project as "friends". The campaign achieved its initial goal of launching a global movement to end hunger in our lifetime. In its second phase, the EndingHunger Movement is now working to expand its support base and help members become better informed about hunger – especially among 14- to 25-year-olds worldwide.

Celebrity spokespersons. FAO campaigns and events benefit from the support of public figures who share a vision for a world free of hunger. With the FAO Goodwill Ambassadors programme, initiated in 1999, 38 global figures have participated in the programme, helping to promote FAO's messages around the world and mobilize private resources. Other public figures have collaborated with FAO on a personal basis by linking their image and visibility to FAO's activities. Support from public figures has been particularly helpful in catalysing public attention, especially during emergency or post-emergency interventions when calls for help require immediate attention.

Conclusion

The global environment in which FAO operates has changed considerably over the last 18 years. Providing safe, nutritious and sufficient food for 7 billion people is a challenge which, more than ever, requires global coordination, strong technical capacities and investments. Increasing loss of biodiversity, degradation of natural resources, and the impacts of natural and human-induced catastrophes make this challenge even more complex and difficult to achieve.

Despite FAO's tireless call to increase resources in agriculture during the same period, the international community continued to relegate agriculture to the bottom of the list of development priorities, and investments in the sector decreased considerably. This trend continued until recent times, and paralleled a constant reduction in FAO's budget, which required the Organization to adapt its structures and processes in a more efficient and effective way, with the aim of delivering more and better services to its stakeholders with fewer resources. FAO took this situation as an opportunity to step back, take an in-depth look at what it did and how it did it, and find new ways that would still provide the level and quality of results it required.

On the ground, it is easy to discern practical successes in rural areas of the world, in terms of FAO's contribution to global efforts to eradicate poverty and hunger, its response to emergencies, and its support for increased sustainability of production and distribution systems. What is perhaps not so easy to quantify, but certainly underpins those efforts, is the normative work of the Organization, defined by its contribution to establishing the kinds of standards and public goods that enable the countries of the world to move towards solutions together in an increasingly complex globalized world.

To a large extent, the capacity of the Organization to achieve these results would have never been possible without a strong and supportive internal structure, which resulted from significant changes in the way it performed its business. During those



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PHOTO 12

Unveiling of the
1billionhungry project
banners, 2010.

PHOTO 13

Dr Jacques Diouf,
Director-General, FAO,
1994-2011.



years, FAO was able to identify ways to increase the cost efficiency of its administrative and operational activities, better prioritize its work and modernize its internal structures and services. With the guidance and support of its Members and partners, FAO undertook the types of reforms that have made the Organization leaner, more focused and fitter for the twenty-first century.

In the end, it was a matter of FAO “reinventing itself”, as the Director-General said in front of Member Nations at the 2009 Conference, through a creative and challenging process from which a new and better FAO emerged. “This Organization now has a rightful place in the chambers and at the tables where the world’s most powerful leaders meet to set the course of global events. FAO’s advice, views, recommendations and warnings are heeded with attention and respect. All this allows a renewed FAO to break new ground in its fight to eradicate hunger, to end poverty and to create a better life for everyone on Earth. An FAO that everyone can be proud of.” In the words of the Independent External Evaluation in 2007, “If FAO did not exist, it would need to be invented.”

ANNEX I

List of refurbished, renovated and new rooms at FAO headquarters since 1994

■ Meeting rooms refurbished

Flag Hall (1996)
Queen Juliana Room (1996)
Indonesia Pavilion (1996)
Malaysia Room (1997)
India Room (1999)
Canada Room (1999)
Green Room (1999 and 2003)
King Faisal (1999 and 2006)
Austria Room (2000)
Pakistan Room (2001)
Nordic Lounge (2001)
Belgium Lounge (2001 and 2003)
Mexico Room (2001)
Cuba Room (2002)
German Room (2006)
Nigeria Room (2009)
Angola Lounge (2009)
Sudan Room (2009)
Australia Room (2010)

■ Meeting rooms and common areas established

Caribbean Lounge (1995)
Iran Room (1996)
Egyptian Wing (1996)
Espace Gabon (1999 and 2003)
UEMOA (1999 and 2003)
Slovak Centre (2001)
Korean Centre (2001)
ECTAD CMC (2006)
David Lubin Library (2006)
Sheikh Zayed Center (2011)

■ Common area renovation

Catering facilities (1997 and 2002)

FAO Credit Union (1997 and 2006)

Turkish Registration Centre (1998)

Money and medals shop (1999 and 2008)

Commissary (2002, 2005)

ES library (2003)

Forestry library (2004)

New pharmacy (2006)

Banca Intesa and Banca Popolare di Sondrio (2007)

UN Federal Credit Union (UNFCU) (2007)

Legal library (2008)

Entrance pavilion (2009)

HD video-conference room (2010)

ANNEX II

Types of voluntary contribution arrangements

Trust funds. A large percentage of FAO's extra-budgetary funds are channelled through earmarked trust funds. These traditional funding modalities respond to the principles laid out in the Paris Declaration on Aid Effectiveness and Accra Agenda for Action.

Pooled resources. Pooled-resource partnerships are tripartite agreements between FAO, one or several resource partners, and one or several beneficiary countries, with donors entrusting FAO with the provision of technical assistance services. These include Government Cooperative Programmes (GCPs), Multi-donor Trust Funds (MDTFs) and the UN Joint Programme (UNJP).

Softly earmarked funds. Funds given through the FAO Multipartner Programme Support Mechanism (FMM) are not tied to specific programmes or projects, allowing great flexibility of allocation.

Upfront resources for a swift response. The Special Fund for Emergency and Rehabilitation Activities (SFERA) allows for early participation in interagency assessments, initiation of coordination activities in support of all actors involved in agricultural relief, and the timely preparation of context-specific emergency programmes. It also enables FAO to acquire logistical equipment and inputs for the quick launch of field activities.

Domestic financing for national priorities. Unilateral Trust Funds (UTFs) enable governments to provide the funds themselves to access FAO's technical expertise. The countries can use their national resources or the proceeds of loans, credits and grants made available by international finance institutions (IFIs) or bilateral donors. Countries as diverse as Brazil, Iran, Mexico, Morocco, Nepal, Nigeria, Pakistan, Saudi Arabia and Venezuela have used UTFs to finance several million dollars worth of FAO projects within their own borders. UTF projects represent about 15 percent of the total extrabudgetary funds received by FAO.

Partnerships. FAO establishes partnerships with the private sector and foundations, as well as with local authorities, through its Decentralized Cooperation Programme. Within the framework of a partnership between the cities of Milan, Italy, and Dakar, Senegal, FAO provided assistance to 4 000 urban residents, mostly women, to start microgardens in Dakar's low-income areas. The project, jointly funded by the Italian Ministry of Foreign Affairs and the City of Milan, won the 2008 UN-Habitat's Dubai Award for Best Practice to Improve the Living Environment.

In-kind contributions. Donors can support the work of FAO through the in-kind contribution of human resources or goods and services. For example, the FAO Associate Professional Officer (APO) programme enables members to sponsor highly qualified young people, usually from their own countries, to work at FAO, contributing to efforts to achieve food security while also receiving priceless international job experience. FAO also hosts a similar Junior Professional Officer programme (JPO) and in 2011, FAO had APOs and JPOs from over 30 countries working on a variety of projects. Donors also contribute goods and resources to the work of FAO, such as China's response to the Indian Ocean Tsunami with a US\$1.6 million in-kind contribution of fishing equipment and US\$400 000 in cash. This enabled FAO to help the fisher and fishing communities "Build Back Better" by providing new equipment that allowed them to exceed their previous levels of productivity.

ANNEX III

RBM in Action

The four-year Medium-Term Plan 2010–2013 within the 2010–2019 Strategic Framework applies the principles and major elements of the results-based approach. The major elements, as set forth in the Strategic Framework, comprise strategic objectives, organizational results and core functions.

The 11 Strategic Objectives agreed in the Strategic Framework reflect the assessment of challenges and opportunities facing food, agriculture and rural development. They express members' expectations of national, regional and global impacts achievable over a long-term (10-year) timeframe, based on FAO's value-added interventions. In order to ensure that all aspects of FAO's work are considered within a results-based framework, complementary Functional Objectives assist the Organization to ensure effective impact of technical delivery with due attention to efficiency, thereby also firmly contributing to the achievement of Strategic Objectives.

The 8 Core Functions draw on FAO's comparative advantages and are applied at all levels: national, regional and global. They are subject to articulated strategies to ensure coherent approaches, cooperation among organizational units, mutual learning and the pursuit of excellence.

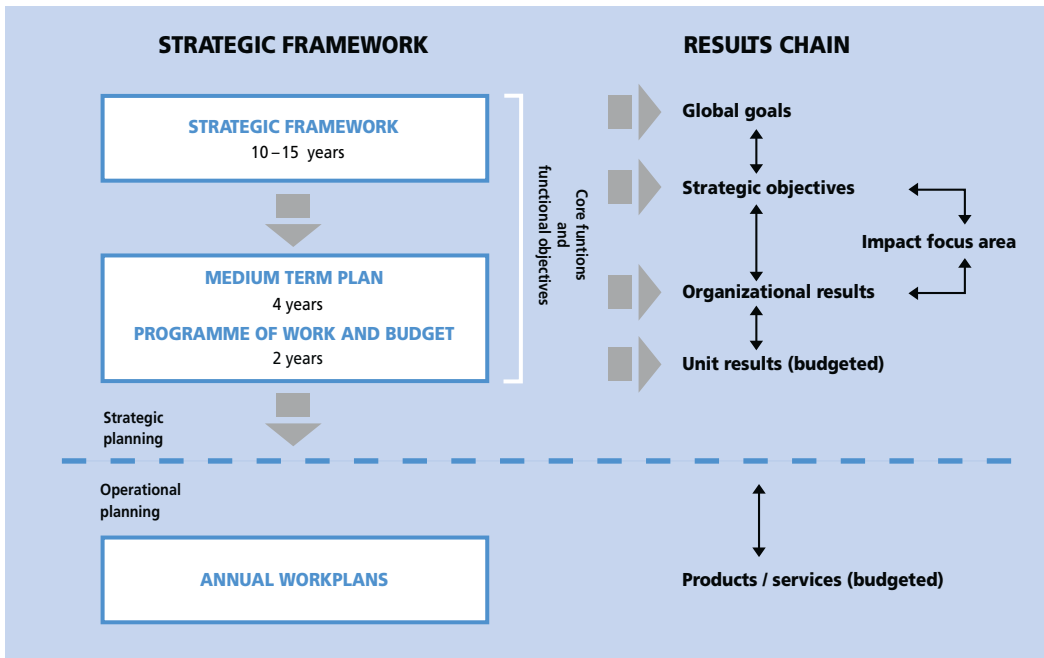
The Organizational Results represent the expected outcomes achievable over a four-year period. They constitute the backbone of the four-year Medium-Term Plan and biennial Programme of Work and Budget, reflecting the substantive priorities determined by FAO members.

Other tools designed to support development and contribute to the achievement of the Organizational Results and Strategic Objectives include:

- Country Priority Frameworks developed with the concerned governments to focus FAO's efforts on well-identified national needs;
- Structured and consultative development of subregional and regional areas of priority action, including via regional conferences and specialized regional commissions;
- A limited number of Impact Focus Areas at the global level to help mobilize voluntary contributions for priority groups of Organizational Results, providing a communication and advocacy tool with an emphasis on capacity building and policy frameworks.

FIGURE 8

Results-based planning and budgeting



Source: FAO.

These elements are interrelated as illustrated in Figure 8 above.

Overall, the application of RBM principles within the main programmatic documents of FAO reflects not only a commitment to efficiency and effectiveness of operations, but also a major shift in the culture of the Organization towards increased transparency, accountability and orientation towards results.

The Food and Agriculture Organization of the United Nations (FAO) was established in 1945 with a mandate to ensure global food security. Over the years, it has supported member countries and the international community in raising levels of nutrition, improving agricultural productivity, bettering the lives of rural populations and contributing to the growth of the world economy. Today, FAO's staff of over 3 000 women and men across the world work to support the Organization in achieving its vision of a world free from hunger and malnutrition.

In a context where agriculture had to compete with many other priorities on the development agenda, FAO Director-General Jacques Diouf launched numerous initiatives during his mandate – spanning 1994 to 2011 – to reposition the Organization and adapt its structures and operations to respond efficiently and effectively to the complex challenges affecting food security in the 21st century.

Managing FAO in turbulent times – From 1994 to 2011 presents a snapshot of these changes, achieved at a time when FAO was facing increasing demands for support from its Members, yet dealing with severe budget constraints. The reforms, some of which are still being implemented, are making FAO a leaner organization, more focused on results and better equipped to support the crucial role of agriculture in global wellbeing.



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