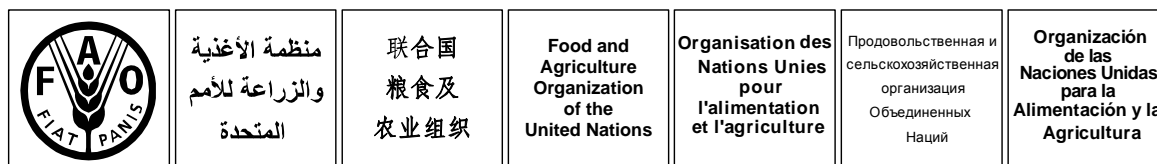


April 2012

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## COUNCIL

### Hundred and Forty-fourth Session

Rome, 11- 15 June 2012

### Immediate Plan of Action – IPA annual report for 2011 and direction for 2012

#### Executive Summary

- This report provides information on progress with implementation of the Immediate Plan of Action (IPA) during 2011. The report covers both quantitative and qualitative aspects of implementation and provides an overview of the new direction for IPA implementation in 2012.
- In quantitative terms, the good progress anticipated in CL 143/10 Web Annex, has been confirmed as a further 78 IPA actions were completed during 2011. These, added to the 143 actions completed in 2009 and 2010, bring the total number of completed IPA actions to 221 or 81%, of the 274 actions comprising the integrated IPA programme. 41 (or 77%) of the 53 open actions are on track for completing by the planned end-date, 2 actions are proposed for deletion, while Minor and Major Delays are reported for 1 and 9 actions respectively.
- Actions reporting a “Minor” or “Major” delay status relate to a revised completion date respectively falling within or after six months of the planned completion date. The report describes in detail these actions, provides a brief explanation of the reason for the delay and also includes at Annex I a comprehensive listing of the status of all IPA actions from IPA inception.
- The good quantitative progress is substantiated by key achievements and benefits during the year which are described in this report by thematic area together with highlights of projects that have completed in 2011.
- Culture Change and Renewal Communications support renewal in FAO in a cross-organizational manner and a section of this report updates Members on activities in these areas. During 2011, communication in support of FAO renewal reached out mainly to Employees but also Members. A focused campaign in support of FAO’s first all-employee survey raised awareness and stimulated a strong 77 percent response rate among employees worldwide. In response to the survey results, Management has considered the areas identified by the survey as calling for improvements. In response to concerns in these areas, management has developed two levels of action – corporate level actions and actions at a local level, i.e. Department and Independent Offices in HQ and Regional Offices, which are described in this report.
- In financial terms, the 2010-11 PWB net IPA budget of USD 39.6 million comprised a gross budget of USD 44.91 million of costs and USD 5.31 million of savings. The savings of USD 5.31 million were fully achieved in 2010-11. Final 2010-11 IPA expenditure against the 2010-11 gross IPA budget totalled USD 40.434 million, leaving an unspent IPA balance of

USD 4.476 million. As authorised by Conference in July 2011, this has been carried over to 2012-13 and includes USD 1.028 for deferred 2010-11 IPA investments costs, and USD 3.448 to offset 2012-13 IPA investment costs.

- Funding for 2012-13 approved PWB included the appropriations (net) of USD 39.141 million to fund the implementation of the IPA, comprising an estimated amount of USD 22.359 million for net recurring costs and USD 16.782 million for one-time investment costs. The carry forward from 2010-11 of USD 1.028 million will be added to the one-time investment costs in 2012, increasing the PWB 2012-13 approved budget from USD 39.141 million (net) to USD 40.169 million (net).
- In approaching 2012 the Organization has renewed its impetus and is focused and engaged to ensure successful and full completion of IPA implementation. In January 2012 the Director General confirmed this commitment and provided a new direction to FAO renewal, which focused on three main activities and on the need to *i)* bring the FAO renewal to a successful conclusion, *ii)* mainstream IPA actions into the work of the Organization, and *iii)* accelerate the reform process.
- Bringing the renewal process to a successful completion implies that the IPA reporting focus needs to move from implementation of IPA actions to realization of benefits. A major Benefits Realization Initiative has been launched in 2012 to identify and report on the benefits accrued and accruing from implementation of the IPA programme. This initiative represents a key activity throughout 2012 and is fully described in section VII of the report.
- With over 80% of the renewal programme actions completed, management intends to accelerate implementation of the remaining actions and complete as many as possible within 2012. However, due to the complex nature of some of the open IPA actions, it is recognized that a small number of renewal actions will not complete by the end of 2012. These actions are fundamental to the successful drive forward of key work areas of the Organization, including those that will further reinforce FAO as a results-based Organization, and contribute to a renewed focus on effective decentralization
- The report updates Members on the findings of the external assessment of the IPA Programme commissioned through the Office of the Inspector General. The assignment was for a rapid, high-level review of IPA implementation with two primary aims: *i)* to provide an independent assessment of the effectiveness of the change management process so far, with a particular focus on the IPA; *ii)* to develop recommendations on how to design and manage the process of reform and change in the next biennium.
- The report was issued in late January 2012 and was well received by Management as its conclusions largely supported the direction and decisions already taken by the Organization, as further elaborated in this Annual Report which also includes, at Annex II, the executive summary of the report issued by the external consultant.

#### **Suggested action by the Programme and Finance Committees and Council**

- The Finance Committee is requested to review progress on IPA funding and expenditure (Section V, paragraphs 101 through 110).
- The Joint Meeting of the Programme and Finance Committees is requested to review progress on all other sections of this report.
- The Council is requested to take note of the information provided in document CL 144/10 and the review of the Programme and Finance Committees, and provide such guidance thereon as deemed appropriate.

*Queries on the substantive content of this document may be addressed to:*

David Benfield

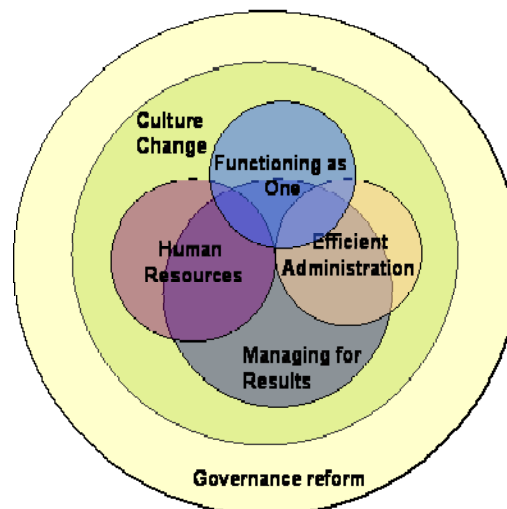
Director, IPA Programme Management Unit

Tel. +3906 5705 4508

## I. Introduction

1. This report provides information on progress with implementation of the Immediate Plan of Action (IPA) during 2011.
2. During 2011 progress reports were presented to the July Conference and through a Council document to the October 2011 session of the Finance and Programme Committees (and their Joint session) and to the 143<sup>rd</sup> Session of the Council in November 2011.
3. As requested by Members, this annual report provides full details of all IPA actions, indicating those completed and those in progress at the end of 2011. It also indicates, for all IPA actions in progress, whether there are any delays and, if so, whether these are of a minor or major nature. The annual report also provides full information on IPA financials as at year end 2011, with details on all key aspects of financial progress.
4. This report is presented as a Council document in compliance with Conference Resolution 6/2011, but is also addressed to the Members of the Finance and Programme Committees through their Joint Meeting during May 2012. This is to allow Members of the Council to receive and consider the technical advice of the Finance and Programme Committees through their reports to the 144<sup>th</sup> Council session.
5. As is customary for progress reports on IPA implementation, the information provided in this report is structured around the six thematic areas that are shaping the reformed FAO and depicted in Figure 1 below.

*Figure 1 – Schematic of elements of FAO Reform*



6. **Part I** of the report is the **2011 Annual Report on IPA implementation**. This is developed in sections II through V and covers all aspects of IPA implementation during 2011. It provides Members with the information they require and have requested in order to perform their oversight and monitoring responsibilities on IPA implementation during 2011.
  - **Section II - Key Achievements and Benefits in 2011**, describes, by thematic area, the key achievements during the year and highlights projects that have completed in 2011.
  - **Section III - Quantitative Progress**, updates the information provided in November 2011 through CL 143/10 and highlights the quantitative IPA progress in 2011, indicating the number of actions completed during the year, actions on track to complete by the scheduled date, actions indicating minor delays, and actions indicating major delays. Actions completed in 2009 and 2010 are added to those completed in 2011 to provide a cumulative view of progress in terms of completion of individual IPA actions that appear at Annex I.
  - **Section IV - Culture Change and Renewal Communications**, concentrates on these two key cross-organizational areas of IPA implementation to update on progresses on the Culture Change project and on communication and engagement activities and updates Members on the follow-up actions to the employee survey.

- **Section V - IPA Funding and Expenditure**, provides an update on financial aspects of the IPA programme for the year.

7. December 2011 marks the end of the third of five years scheduled to complete the IPA programme. Less than 20% of total IPA actions remain open but these include many of the more complex actions remaining to be completed. In approaching 2012 the Organization has renewed its impetus and is focused and engaged to ensuring successful and full completion of IPA implementation. **Part II – New Direction for 2012**, provides an overview of the new direction for IPA implementation in 2012 and comprises sections VI and VII.

- **Section VI – Overview** highlights the key aspects of the new direction and describes key focus areas of work during 2012 and decisions taken by the Director-General in January 2012. This section also reports on the external assessment of the IPA programme carried out through the Office of the Inspector General.

- **Section VII – Benefits Realization Initiative** describes the framework and the scope of work being undertaken in this area.

8. The report includes three annexes:

- Annex I – Quantitative progress and Comprehensive analysis of status of IPA actions
- Annex II – The Director-General’s Bulletin (DGB) 2012/08: “IPA Direction and Internal Governance Arrangements”, issued in January 2012.
- Annex III - Executive Summary of the Report “Assessment of the IPA Programme - A Way Forward”, received on the external assessment of the IPA programme carried out through the Office of the Inspector General. The full report “Assessment of the IPA Programme - A Way Forward” is available as [Web Annex](#) (Only English). This is available in English only for cost efficiency purposes.

## **PART I: 2011 Annual Report on IPA Implementation**

### **II. Key Achievements and Benefits in 2011**

9. This section highlights, by thematic area, the key achievements and benefits in 2011 updating and integrating the information already provided to Governing Bodies during 2011.

#### **Managing for results**

10. The **Reform of Programming, Budgeting and Results Based Monitoring** project focussed on three areas in 2010-11.

- Monitoring and reporting of PWB 2010-11 implementation. Periodic work plan monitoring was undertaken throughout the biennium by all unit managers to identify risks and improve programme delivery. In early 2011, the mid-term review 2010 provided a qualitative assessment by managers and strategy team leaders of progress toward achievement of unit and organizational results. This resulted in mid-course corrections to improve delivery and was documented in the Mid-term Review Synthesis Report 2010 (document PC 106/7 - FC 138/6). The end of biennium assessment for 2010- 11 was launched at year-end, and this will provide a comprehensive analysis of achievements against unit and organizational results, identify opportunities for improved organizational performance, and generate information for the Programme Implementation Report 2010-11 (document C 2013/8).

- Planning for 2012-13. On the basis of the guidance received during the biennium, Management prepared the MTP 2010-13 (Reviewed) / PWB 2012-13, which was considered by the Programme/Finance Committees and Council, and approved by the Conference in July 2011. In line with the new cycle of programming and budgeting, the PWB 2012-13 was adjusted based on the decisions of Conference, and the adjustments were approved by the Council in December 2011. All units completed operational work plans during October-December, so that they were ready to implement the adjusted PWB 2012-13 from January 2012, as foreseen under the new cycle. Work

plans were prepared using an improved process that enhances multi-disciplinary collaboration and provides stronger causal linkage of work plans to the Organizational Results through the introduction of cross-cutting “Organizational Outputs” to replace the previous approach of “Unit Results”. The integration of Country Offices into the strategic planning process was initiated through a pilot programme in six countries.

- Preparation for review of the Strategic Framework. Guiding principles and a timeline of the process for review of the Strategic Framework 2010-19 and preparation of a new MTP 2014-17 were reviewed by the Programme and Finance Committees and endorsed by the Council in December 2011. This laid the foundation for further improving prioritization of FAO’s work and improving the application of results-based management.

11. The **Resource Mobilization** project developed the corporate Resource Mobilization and Management Strategy (RMMS) during 2010/11, whereby assessed contributions were supplemented by voluntary contributions to support agreed priorities and Organizational Results within the framework of the Strategic Objectives and with the aim of achieving more predictable and sustainable voluntary contributions for FAO’s objectives.

12. The strategy was praised and endorsed at the Joint Meeting of the Programme and Finance Committees in October 2011. Key areas covered include:

- **Consolidating and expanding resource partnerships:** FAO employees gained a clearer sense of the resource mobilization strategy tied to better information on partners and international ODA so as to improve FAO programming. Regional and sub-regional resource mobilization strategies were being developed with full support from the IPA project, while a mapping tool (ADAM)<sup>1</sup> was launched and training was taking place to encourage its use.
- **Communication:** An informal meeting with resource partners took place on 1 March 2011, which launched Impact Focus Areas (IFAs) a corporate resource mobilization communication tool. It was recognized by partners as a welcome attempt by FAO to engage in significant dialogue. FAO’s corporate resource mobilization website was also launched.
- **Capacity development:** The strategy clarified resource mobilization roles and responsibilities and guiding principles, with participation from all levels of the Organization. It also developed tools and training, piloted in tandem to enhance effective programming and resource mobilization capacities, particularly at decentralized office level.
- **Reporting:** the need to prioritize regular and more transparent reporting was stressed in the strategy. This would include uploading in the resource mobilization website the status of voluntary contribution levels from each partner including private sector and foundations and efforts to improve the timeliness and results based management reports on voluntary contributions to resource partners.

13. To ensure successful implementation of the RMMS strategy over 2012/13, an integrated corporate planning strategy covering all sources of funds - a macro strategy –has been initiated to drive resource mobilization outreach and ensure effective allocation and integration with Regular Programme resources.

14. With reference to **Enterprise Risk Management**, awareness of the importance and benefits of risk management has increased within FAO, as has the appetite to apply it in practice as a result of risk assessment processes across the FAO functional, organizational and strategic framework. The Enterprise Risk Management (ERM) project team has finalised the draft ERM policy and facilitated risk assessment processes. Assessment processes have been defined, documented, and are being piloted, to provide flexibility to the ERM team in carrying out its functions. Particular achievements include:

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<sup>1</sup> The Agriculture Development Assistance Mapping tool allows simple analysis of the convergence in any county between each International Financial Institution’s and each OECD country’s official development assistance and national priorities and FAO’s strategic objectives.

- Training: 139 people trained in ERM through attending ERM workshops; 100 managers briefed on ERM including 26 in the Director or higher grade; and two people trained as expert risk facilitators.
- 32 facilitated workshops undertaken in HQ and the field.
- Manuals and detailed guidance drafted and prepared.

15. Work on the ERM project was temporarily suspended in January 2012, in order to reassess the integration of ERM in the RBM framework in light of experience.

### **Functioning as One**

16. Continuous support, guidance and focused training have been provided to decentralized offices on various aspects of management of the decentralized **Technical Cooperation Programme** (TCP). To simplify further the TCP project cycle management, a specific information management tool was developed to facilitate the data entry process in the Field Programme Management Information System.

17. The decentralization of the management of the TCP for sub-global development projects, launched in January 2010, has produced its intended results: reduction in approval time from an average of six months to four months; better alignment of TCP projects with national priorities, clearly verifiable in countries with National Medium Term Priority Frameworks /Country Programme Frameworks (CPF). The decentralized offices have been effectively managing the decentralized TCP achieving full commitment of the 2010-2011 TCP appropriation in line with the indicative allocations to regions agreed by the Council.

18. With reference to the IPA actions on **Decentralization**, the related IPA project was restructured in 2011 and action items on benchmarking, ICT and competencies were moved to other projects due to their corporate nature.

19. A major benefit achieved in 2011 relating specifically to the IPA project on Decentralization was a consolidation of the lead role of Regional Offices in supervising Decentralized Offices and programmes in the regions, leading regional prioritization and in participating in the Organization's corporate decision-making processes. Together with the strengthened role of Regional Conferences, this will lead to improved focus as well as a better balance and synergy between global, regional, sub-regional and country concerns.

20. Also, 2011 saw the progressive building of member consensus on the vision for FAO's decentralization, including the implementation of this vision in four major areas: structure, staffing, operations and funding. Following the guidance of the CoC-IEE, the Programme and Finance Committees, the Regional Conferences and the Council, management prepared a Vision for the Structure and Functioning of Decentralized Offices (CL 141/15), as well as the actions arising from that Vision. The FAO Conference in 2011 requested that "the Regional Conferences which will be held in 2012 should review FAO's country coverage in their region, with a view to enhancing the Organization's effectiveness and efficiency at country level and make recommendations to the Council in 2012 on the most suitable structure and skills mix of the decentralized offices network in their region, including close alignment to country needs in line with country frameworks".<sup>2</sup>

21. At the same time, progress in decentralization is being enabled by actions in a multitude of other IPA projects, including several activities within the HR Reform and IPA actions on Information Technology, the Global Resource Management System Programme, and delegations in procurement.

22. With reference to **Partnerships**, the Organization-wide Strategy on Partnerships and Guiding Principles was approved and distributed in early 2011 and the FAO Strategy for Revitalizing Collaboration with the UN System and an agenda for action were finalized in late 2011.

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<sup>2</sup> C2011/7, paragraph 158

23. Collaboration between the three Rome-based UN Agencies, FAO, WFP and IFAD has continued to increase in 2011 both at the senior management and technical levels, including under the four-pillar framework<sup>3</sup> and priority areas set out in their joint strategy for collaboration “Directions for Collaboration among the Rome-Based Agencies”, including the areas of evaluation and administrative collaboration. A successful example of the former is the collaboration in the context of the “Joint Thematic Evaluation of FAO and WFP Support to Information Systems for Food Security”, while the activities of the Common Procurement Team are an example of the latter. Another significant achievement has been the signing by the European Commission and the Rome-based Agencies of the Statement of Intent of the Programmatic Cooperation on Food Security and Nutrition in June 2011, which has resulted in the identification of nine programmatic priority areas for collaboration aligned with the four priority objectives of the European Union policies for food security and humanitarian food assistance.

24. Another examples of partnerships across Institutional barriers during 2011 relates to a letter of agreement to develop organizational capacity for effective partnerships being signed with the International Business Leaders Forum/The Partnering Initiative (IBLF/TPI). The IBLF/TPI is a non-profit organization and has over twenty years of experience working with United Nations Organizations in fields such as capacity building and developing effective cross sector partnerships.

25. Members of the Programme and Finance Committees reviewed a progress report on the “FAO strategy for Partnerships with the Private Sector” at their Joint Meeting in October 2011 and their recommendations were subsequently endorsed by the 143rd Council. Elements of the draft strategy are already being implemented and operational, such as the due diligence process for review of prospective private sector partnerships by FAO. The Strategy is expected to be complemented by an Implementation Plan for multifaceted engagement with private sector, and will be reviewed in 2012.

26. The “FAO Renewed Strategy for Partnerships with Non-governmental and Civil Society Organizations” was widely disseminated and feedback was received from technical departments and FAO Regional offices. In close coordination with FAO Regional Offices, planning sessions with selected civil society and non-governmental organizations were organized in RAF, REU, and RAP, with the aim of fostering multi-stakeholder dialogue at regional level. Coordination mechanisms for civil society and non-governmental organizations were established in three regions and elements for joint work plans were identified.

### **Human Resources**

27. Many of the key IPA achievements for 2011 are in the Human Resources area where significant achievements have been made within the context of the “HR Strategic Framework and Action Plan”. This establishes the strategic objective and vision for the HR function and serves as a plan of action for IPA implementation.

28. Following the report presented to the 143rd Council in November 2011, the first phase of the **Competency Framework** project has been completed within the established timeframe. The project aims to establish a framework which defines FAO core and functional organizational competencies and is used to develop competency profiles for generic job families and specific job profiles in FAO, for the Senior, Professional and General Services staff categories. The framework was formulated by an inter-departmental Project Working Group and the external consultants and delivered in December 2011 following extensive consultation with key stakeholders (including the Culture Change Team, Capacity Development Team, Knowledge Sharing Team, FAO Staff Representatives, Ethics group and the Gender Equity Team) as well as inputs of staff through validation focus groups. The completion of the Framework will enable the Organization to map core and functional competencies to FAO job families and individual job profiles, as part of phase 2 of the Competency Framework project, which should be completed by December 2012.

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<sup>3</sup> The four pillars are: *i*) policy advice, knowledge and monitoring, *ii*) operations, improving collaboration at field level, *iii*) advocacy and communication and *iv*) administrative collaboration.



29. As reported to the 143rd Council in November 2011, the 2010-11 biennium was considered as a two-year pilot roll-out of the **Performance Evaluation and Management System (PEMS)**, which sought to “Introduce an objective staff appraisal system linking staff performance to organizational objectives based on realistic performance targets and objective assessment criteria”(IPA 3.7). An analysis of the findings of the 2010 cycle was undertaken in 2011 and took into account feedback from staff, supervisors and Senior Management. This has revealed areas for improvements (e.g. system workflow to be streamlined) and / or support from CSH and the PEMS Team to staff members (e.g. on the year-end appraisal phase, multirater feedback process, etc). A similar analysis will be conducted of the feedback received from the 2011 PEMS cycle, which has concluded in March 2012. The results of these analyses will be used for future enhancements of the PEMS process during the course of 2012, whilst the system is instituted as the official tool for managing the performance of all staff on a fixed-term and continuing contract and linked to future HR administrative decisions.

30. A comprehensive draft corporate **mobility** policy was presented to Senior Management and is under review. The interim mobility guidelines, which were instituted in December 2010 to foster and promote voluntary mobility, have resulted in 45 geographic moves during 2011 compared to the annual target of 50. The compendium of vacant positions available for mobility assignments continues to grow, currently exceeding 160 posts, together with a roster of 120 staff members interested in such assignments. A Mobility Co-coordinator is assigned to ensure proper matching of staff profiles with the positions available and is also developing a framework for increased inter-agency mobility.

31. **The Junior Professional Programme (JPP)** was launched in 2011 with a first cohort of 18 junior professionals recruited in July 2011 and assigned to decentralized offices (13) and HQ technical departments (5). An expansion of the programme was supported by the governing bodies and using IPA funding, a further seven junior professionals are being recruited in 2012, bringing the full contingent to 25 for the 2012-13 biennium.

32. Significant progress has also been made in finalizing the draft of the Human Resources Strategic Action Plan on **gender balance**, revised to the newly approved UN target of 50% in late 2010. It proposes a suite of measures to increase the percentage of women in professional and higher level positions within FAO. Also, departmental/office geographic and gender targets for 2011 were issued in a corporate effort to meet the overall Medium Term Plan targets. Indeed, all 2011 year end MTP targets for geographic representation and gender balance were met.

33. Specific measures have been taken to reduce the Organization’s **recruitment** timeframes. These measures have resulted in an average 10 days reduction and have included (i) the reduction in the posting time of external vacancy announcements from two to one month; (ii) the temporary increase in the membership of the Professional Staff Selection Committee (PSSC) and the appointment of four Alternate Chairpersons, which has made it possible to hold an increased number of PSSC meetings; (iii) the establishment of the Recruitment Support Team, composed of over 20 consultants and retirees who can provide their services to recruiting managers in screening applications, organizing interviews and preparing PSSC submissions; (iv) the introduction of a simplified, streamlined PSSC form; (v) the introduction of a target time frame of four months following VA closure for recruiting units to make a submission to the PSSC. Further proposals to reduce recruitment timeframes will be made during 2012.

34. **Staff Development** activities have continued throughout the year, including continued expansion of participation in the Management Assessment Centre, the inter-agency centre aimed at helping managers identify their strengths and areas where they can continue to develop their managerial skills. Over 100 managers have participated in MDC courses since its launch. New management courses were launched in 2011 covering Effective Leadership and Foundations of Management.

35. In terms of providing quality **HR information** to managers, the on-line HR management information system pilot was released to managers and users of HR data at HQ and in DOs. The system consolidates data from a range of different transactional systems into a single repository of

HR information in order to improve reporting and facilitate senior management access to accurate workforce information and statistics on a self-service basis. During 2011, work proceeded to define further reporting under a Phase II.

### **Reform of administrative and management systems - efficient administration**

36. This thematic area brings together the highest number of large and complex projects in the IPA programme, but it also includes projects that consist of discrete actions which have successfully reached the end of their implementation timeline.

37. In **Procurement**, the Procurement Service (CSAP)'s revision of Manual Section 507 (MS 507) "Letters of Agreement" (LoA) became effective on 1 July 2011. The revision was designed to support decentralization, further empower field offices by increasing the Delegations of Authority, establish an accountability framework for LoAs, ensure consistency with Manual Section 502 (MS 502) and better address users' requirements. In July 2011 a LoA unit was created to provide quality assurance for all LoAs exceeding the levels of delegated authority and also to provide guidance and support for all staff involved in the LoA process. In September 2011 the LoA HQ Committee was established to review complex and high-value LoAs.

38. To build capacity and ensure the correct implementation of the new policies, a training program was carried out to increase knowledge and awareness in Decentralized Offices (DOs) and at HQ. By the end of the year, 225 staff were trained on MS 502 (in addition to 527 staff trained in 2009 and 2010) and 268 staff on MS 507.

39. The advisory role of the Procurement Service was also strengthened, focusing on normative and policy guidance as recommended by the Root and Branch Review and the Independent External Evaluation. To this end, CSAP issued the Procurement Planning Brief (April 2011) and the Guidelines on Collusion and Fraud in Procurement Operations (June 2011), which were produced jointly with the Office of the Inspector General. Furthermore, practical tools and training materials (including updated intranet, e-learning, and templates) were developed to support decentralization and enhance the capacity of DOs to undertake procurement and implement LoAs while maintaining the highest standards of transparency and fairness.

40. During 2011 the Rome-based UN Agencies sustained the cooperation initiated in 2010 through the Common Procurement Team (CPT). While achieving monetary savings by aggregating the purchasing power of the three Organizations and by avoiding/reducing administrative costs (e.g. non-duplication of tenders), the CPT has increased partnership among the Rome based Agencies. Indeed, the CPT activities have provided an opportunity to share innovative ideas and strategies, trigger inter-agency synergies and progress towards the one-UN ideal. In 2011, the CPT issued 6 tenders, and awarded 7 contracts. The experience of the CPT is considered a success story in the UN community and has been mentioned as good practice of UN collaboration in the UN High-Level Committee on Management procurement network.

41. It is worth noting that the IPA activities described above have been mainstreamed in the day-to-day operations of CSAP.

42. The **Travel** Project involves the implementation of a Preferred Hotel Programme (PHP) for FAO travellers while on duty travel, which is being piloted by FAO on behalf of the Rome Based UN agencies, who have in principle agreed to participate in the programme. The project envisages the provision of officially provided accommodation in selected duty travel locations through the establishment of negotiated agreements with local hotels using the combined business travel volume of the three Rome Based UN Agencies. The negotiated rates will be lower than the Daily Subsistence Allowance allocation for accommodation and, while the savings potential varies from location to location, the overall potential savings from the PHP is estimated to be in the region of 10-12% of the total amount spent on accommodation.

43. Following the approval from Senior Management and other consultations in June 2011, the project was initiated in July 2011, with a target go live date of March 2012. Starting from 15 February 2012 the PHP is being implemented in 3 phases beginning with Rome on 1 March 2012,

followed by the top 25 duty travel locations in April 2012 and finally the rest of the identified locations in June 2012. Once fully implemented the programme will cover approximately 70-80% of FAO's duty travel locations.

44. With reference to **improving processes and procedures in printing and distribution** (action 7.17) the merging of the related groups (External and Internal Printing and Distribution) has been successfully completed and the new mailing system has been deployed. Other activities have been undertaken to continuously improve implementation of new procedures and identification of streamlining projects which contributed to achieving the IPA saving target for this area.

45. Measures and procedures introduced by the relevant unit include: implementation of a system to confirm that all files being printed externally are technically correct; review of print runs and request of detailed distribution information; review of all items in external warehouse and requests to originators to remove items that were out-of-date and no longer valid; renegotiation of contracts for Internal Printing digital printing machine; and, improved quality of finishing in internal printing leading to savings in external contracts thanks to better use of internal resources.

46. The **Records Management Modernization** Project is on track to meet its objectives within the resources and timeframes provided. The IPA savings target has been achieved, with the number of registry posts at FAO Headquarters reduced from 46 at the time of the Root and Branch Review to 28 in the PWB 2012-13.

47. The project is also delivering significantly improved records management and information sharing services: new records management policies (MS 601) were prepared and new technology and procedures were developed in 2011 which are ready for deployment to be completed at Headquarters by June 2012 as planned. Also within this timeframe, access to corporate records will be extended to all decentralized offices, and focused records management support is being provided to the progressive decentralization of project operations.

48. New features of the new records management system, in particular the production of record "digests," have been developed to improve information sharing within and between teams, at all geographical locations, while reducing email overload. Through the creation of modern Records Management Centres throughout the Organization, an entire FAO occupational group, the former registries, has been revitalized and reintegrated into mainstream activities delivering services to Member States.

49. The **FAO Manual** project has progressed its activities during the year by creating networks: internally, to get input, buy-in, and consensus on requirements and direction; and externally, with other UN agencies, to contribute to common technologies, structures and approach. Some Manual sections have been rewritten as a pilot and have helped define the tone and layout of the new Manual – rewriting of the rest of the Manual into plain language started in earnest. Work in the **Administrative Service Model** area included, based on an inventory of services of the Corporate Services department that could benefit from Service Level Agreements, the introduction of further Service Level Agreements (or Operational Level Agreements ) to cover a total of 77% of these services.

50. The Business Improvement Unit (BIU) became operational in late 2010 and introduced savings and reductions in liabilities by: reducing medical requirements for consultants; eliminating the duty officer scheme; changing the vehicle replacement policy; simplifying various processes; and improving Corporate Services' internal communications.

51. With reference to the **IPSAS / Oracle Release12**, following the adoption at the end of 2010 of a synergistic approach to the upgrade of the ERP in parallel with the IPSAS Project, the following key programme phases were completed during 2011: programme initiation; requirements and high level scope definition; high level design; detailed design; and change management/training strategy. Detailed activities during these phases included the definition of the programme scope, delivery objectives, approach, schedule, resources, budget and governance structures and preparation of the detailed functional and technical specifications for the new systems and processes

52. During this phase, the original scope of the programme was also extended to include replacement of the travel system, and some other process improvements taking advantage of functionality available in the new release.
53. Programme phases which initiated in 2011 and are ongoing include the build phase which comprises the configuration, development and integration testing of the technical solution. This started in the last quarter of 2011 and is well underway. A business change management strategy was approved by the Programme Executive Board (PEB) in October 2011 and during the final quarter a dedicated field coordination team was established. During the final quarter of 2011 a series of facilitated Enterprise Risk Management workshops were also held to identify risks and identify mitigation actions. In November, a fully integrated programme delivery structure was approved and the programme was renamed as the Global Resource Management System (GRMS).
54. Recognizing that there are significant dependencies between the preparation of IPSAS compliant financial statements and the implementation of the GRMS system, and in order to reduce programme risk and ensure the effective implementation and deployment of the solution, the programme has changed its implementation strategy. The resource effort in 2012-13 will now be focussed on the implementation and deployment of the GRMS IPSAS compliant systems and processes to all offices and ensuring that staff are fully trained in their use.
55. As a result of the above reported decisions the production of the first IPSAS-compliant financial statements will now be effective for the financial year commencing 1 January 2014. However, full implementation of all the components comprising the GRMS programme remains scheduled by end-December 2013 and implies an “on track” status for the related IPA actions. Full details on the change in the programme’s implementation strategy are being reported to the 143<sup>rd</sup> session of the Finance Committee through document FC 143/9.
56. The projects aiming to improve **Information Technology** across the Organization have also achieved significant benefits during the year. Major telecommunications network capacity upgrades have been performed in 2011 resulting in improvements to both the corporate and internet connectivity for DOs. The remaining 40 country offices were upgraded in 2011 in addition to the 46 offices upgraded in 2010. This provides all 86 DOs with enhanced access to corporate systems/tools in support of the decentralization process. Furthermore, in order to provide improved access to a wide range of new-generation applications which are bandwidth demanding, such as videoconferencing, knowledge sharing and collaboration tools, the Internet connectivity of 42 DOs were upgraded in 2011.
57. An Information and Communications Technology (ICT) Global Support Model was developed to provide FAO employees with timely ICT support regardless of geographical location, time-zone and language. Four of the five regional support hubs are fully operational in the Asia and Pacific, Europe, Latin America and Caribbean and Africa with statistics showing a large number of support calls from Decentralized Offices having been processed to the satisfaction of end users.
58. Proposals for revised Information Technology Governance arrangements together with a new Information Technology Strategy covering the period until 2019 were developed and finalized in 2010, and an Organization-wide review took place in early 2011. With the issuance of Director-General Bulletin 2011/40 on “Information Technology and Knowledge Management Governance and Information Technology Strategy”, both the new IT and KM Governance arrangements and IT Strategy were announced in July 2011.
59. Awareness materials and working level processes were produced and the implementation of the new governance structures was completed in September. The new framework has been well received and has already begun to make progress on major IT and KM issues which had suffered from lack of an effective Governance framework in the areas of Web Presence Strategy, Travel Planning and Reporting and Information System Planning.
60. A major expansion of the FAO integrated Management Information System (MIS) took place in 2011. This included the upgrade of the corporate data warehouse, which improved quality and access to FAO operational data. More than 200 million records related to FAO operations are

currently available through this repository. Numerous reports, previously prepared using labour intensive and error-prone methods, are now readily available through the FAO integrated MIS using quality information from the expanded data warehouse, including Budget Holder reports and Regular Programme Contribution reports.

61. In addition, Field Office Budget Holder reports, facilitating budget monitoring of both regular programme and extra-budgetary activities are now available to approximately 100 decentralized offices. These reports provide expanded capabilities that facilitate operations and decision making in the field, previously difficult to obtain by DOs. This includes delivery of information in the form of spreadsheets; provisioning of on-demand access to selective information for those offices that require it; and information for more than 1000 field projects alongside the regular programme financial reports. The information provided allows these locations to monitor their budget and expenditures both in summary and in detail, manage commitments and forecasts both for projects and regular budget.

62. A new MIS procurement module was created with advanced business intelligence capabilities facilitating review and analysis of FAO procurement activities at a level and detail not previously available. HR capabilities were enhanced through the release of an MIS roster search facility which allows for a flexible way to identify adequately skilled candidates for various assignments across the Organization. Finally, an IPA monitoring module was built within the integrated MIS that allows for timely and accurate financial monitoring of the IPA programme.

### **Effective governance and oversight**

63. In **Governing Body Reform**, various actions were brought to a successful completion during the reporting period, with further progress achieved especially in the following areas:

- *Multi-year Programmes of Work (MYPOW) for Governing Bodies*: (i) the Conference approved in July 2011 the Council MYPOW; (ii) the Committee on Constitutional and Legal Matters (CCLM) approved its MYPOW in September 2011, with subsequent endorsement by the Council in December 2011; (iii) the Committee on World Food Security (CFS) approved its Results-based Framework in October 2011, on the basis of which a MYPOW should be developed for submission to the CFS session in 2012; (iv) draft MYPOWs were produced for review and possible adoption by the Regional Conferences and Technical Committees at their forthcoming meetings in 2012;
- *Rules of Procedure*: in line with guidance provided by the CCLM, draft rules of procedure were prepared for the Regional Conferences and Technical Committees for consideration at their 2012 sessions;
- *Methods of Work of the Council*: in April 2011, the Council approved a revised version of the Note on its methods of work, which had been reviewed by the CCLM in March 2011;
- *Review of Statutory Bodies*: after initial reviews of the Statutory Bodies which focused on their reporting relationship with FAO, these bodies will be further examined in 2012 by the CCLM in March and the Programme Committee in October, based on a questionnaire designed to seek Members' views on the effective and efficient functioning of such bodies.

64. With the completion of the above activities, most of the governance reform measures will have been accomplished, except for a few outstanding actions:

- Action 4.4, which provided for a possible change in size and representation of the Council membership, was not implemented for lack of consensus at the Conference sessions in both 2009 and 2011;
- Action 2.100, which called for the development of desirable qualifications for the post of Director-General, was also not completed for lack of agreement among Members;
- Action 2.74, which foresaw a comprehensive evaluation of the FAO governance reforms by 2015, with preparatory work undertaken in 2012-13.

65. In terms of **Internal Governance**, IPA action 2.91 to extend the work of the **Office of the Inspector General** (OIG) to cover all major organizational risk areas was completed in 2011 and fully mainstreamed into the work of the Office. OIG's enhanced risk-based planning process seeks

to ensure that the management of all major risks of the Organization is, in coordination with FAO's Office of Evaluation and External Auditor, independently reviewed over two biennia or so.

66. OIG's 2010-2011 risk-based audit plan was updated in early 2011 to take into account audit results in the prior year, initial information coming from the pilot Enterprise Risk Management project, and other emerging risks. Organization-wide topics covered in 2011 included an assessment of the overall accountability and internal control framework of the Organization; progress with implementing the IPA programme as a whole as well as specific reforms in results-based management, programme implementation reporting, decentralization, IPSAS and the technical cooperation programme; information technology security, professional recruitment; and the final phase of the European Union Food Facility Programme.

67. By the end of 2011, OIG had completed the first biennium of an expanded cycle of coverage of decentralized offices encompassing audits of 86 offices at regional, sub-regional, country and project level. Audits of key programmes in Afghanistan, DRC, Iraq, Guinea-Bissau, Haiti, Jamaica, Liberia, Nepal, Philippines, Sri Lanka and Zimbabwe were reported. The enhanced coverage has allowed OIG to provide more timely information and advice to FAO's management on critical aspects of the Organization's work. By the end of 2011, OIG had issued 106 reports for the biennium that addressed 62 per cent of the high risks (39 of 63 high risks) of the organization as identified in OIG's risk register.

68. These reports provided management with more than 1200 recommendations to strengthen the Organization's risk management, internal controls, and governance processes; management accepted 98 per cent of the recommendations. An external expert reviewed OIG's risk-based audit planning and implementation, concluding that OIG was generally complying with international professional standards. No changes to the planning approach were recommended. A further update of OIG's underlying risk assessment was started late 2011 to underpin a new risk-based plan for 2012-2013.

69. As advised<sup>4</sup> in the report presented to the 143<sup>rd</sup> Session of the Council, the Office of the Inspector General commissioned in September 2011 a change management engagement to the Marnet consulting firm.

70. The assignment was for a rapid, high-level review of the implementation of the IPA with the overall purpose of helping the Organization optimize the benefits from its considerable investment in the IPA. The review had two primary aims:

- to provide an independent assessment of the effectiveness of the change management process so far, with a particular focus on the IPA;
- to develop recommendations on how to design and manage the process of reform and change in the next biennium.

71. The report was received in mid January 2012, as further described in Part II, Section VI, Overview.

72. The additional **evaluations** funded through the IPA resources were completed as planned and OED achieved 100% disbursement by the end of the biennium. IPA funds are fully-mainstreamed into OED's budget and work-plan

73. The **Ethics** Officer was appointed in 2010 and in 2011 has initiated her mandate within the Organization. The Finance Committee and CCLM have reviewed and approved at their March 2011 sessions the Terms of Reference and composition of the Ethics Committee, which were subsequently endorsed by Council in April<sup>5</sup>. The first meeting of the Ethics Committee will take place on 8 and 9 March 2012.

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<sup>4</sup> CL 143/10, para 80-81

<sup>5</sup> Para 16 and 24, CL 141/REP

74. The work of the Ethics Officer has covered *Advice* activities (a total of 211 requests for advice were received and responded to during 2010-11 and an internet page has been developed to provide an outline of the responsibilities of the Office and guiding staff on how to resolve an ethical dilemma) and on *Training* (through briefings, presentations and regular training workshops, approximately 1,000 staff have been trained during 2010-2011). Also all senior managers in HQ and all newly-appointed FAORs were briefed about the Ethics programme, emphasizing management's responsibility in fostering an ethical environment in their Departments). The Organization has also already piloted the *Financial Disclosure* programme during 2011, with 60 staff members having submitted declarations which have been reviewed by an external reviewer. According to the reviewers, no major conflict of interest was found.

75. As reported in Council document CL 143/10, the work on **Internal Committees** and related action 7.25 has been completed and no further activities are expected under this action.

### III. Quantitative Progress

76. Quantitative progress in IPA implementation as at 30 October was presented to the November 2011 session of the Council in document [CL 143/10, Web Annex](#). This report indicated that, following an external review<sup>6</sup> of FAO reform during 2011 which also addressed IPA status reporting, Management had developed a revised set of IPA statuses to improve the definition of "On track", "Minor delay" and "Major delay". Actions reporting a "Minor" and "Major" delay status now relate to a revised completion date respectively falling within or after six months of the planned completion date as reported to the July 2011 FAO Conference<sup>7</sup>. The revised set of statuses developed during 2011 also allowed for re-classifying the 12 IPA actions previously reported in the "other" category.

77. As anticipated in CL 143/10, Web Annex, good progress has been achieved during 2011. Figure 2 below updates the information reported to Council in November 2011 and indicates that, of the 274<sup>8</sup> actions comprising the integrated IPA Programme 118 were completed in 2009, 25 in 2010 and 78 IPA actions were completed as at end December 2011, bringing the number of completed IPA actions to 221, or 81%, of the integrated IPA programme.

Figure 2 – *Quantitative cumulative progress and IPA statuses as at 31 December 2011*

Status	As at 31/12/2009	As at 31/12/2010	As at 31/12/2011
Completed in 2009	118	118	118
Completed in 2010	-	25	25
Completed in 2011	-	-	78
<b>2010-11 IPA Programme</b>	154	-	-
On track	-	102	41
Minor delays	-	15	1
Major delays	-	0	9
Other	-	12	0
Proposed for Deletion	-	-	2
<b>Total</b>	<b>272</b>	<b>272</b>	<b>274</b>

78. Of the 274 actions, 53 (or 19%) carry forward to 2012-13 and include large and complex projects that constitute the remaining work to be undertaken in order to complete IPA implementation. 41 (or 77%) of these 53 actions are on track for completing by the planned end-date.

<sup>6</sup> Review of the United States Government Accountability Office (GAO). Report (GAO-11-922) issued on 29 September 2011 and available at <http://www.gao.gov/products/GAO-11-922>

<sup>7</sup> C2011/7 and related Web Appendix III refers

<sup>8</sup> As reported in CL 143/10, Web Annex, during 2011 Management introduced two new IPA actions, Reform Communications with Staff and Reform Communications with Members, increasing the total number of IPA actions from 272 to 274.

### IPA actions showing Minor and Major Delays status

79. Figure 2 indicates that 1 action is reporting a Minor delay and 9 actions are reporting Major delays. These actions are described in table 1 together with a brief explanation of the reason for the delay.

*Table 1 – IPA actions indicating “Minor delay” and “Major delays”*

<p><b>Minor Delays</b> (i.e. less than 6 months from target date)</p> <p>1. Project 4 – Ethics – Action 3.36a - <i>Appointment of Ombudsman</i>. Target date revised from December 2011 to <b>June 2012</b>, owing to delays in the recruitment process</p>
<p><b>Major Delays</b> (i.e. more than 6 months from target date);</p> <p>1. Project 1 – Governing Body Reform – Action 2.18 - <i>The Council shall make a clear recommendation to Conference on the Programme and Budget Resolution including the budget level</i>. Target date revised from June 2011 to <b>June 2013</b> (a Council session preceding the 38<sup>th</sup> FAO Conference), as the action was not completed in 2011 because Council did not recommend a budget level to the 37<sup>th</sup> Session of the Conference.</p>
<p>2. Project 1 – Governing Body Reform – Action 2.100, c) <i>The FAO Conference will consider for approval desirable qualifications for the post of Director-General developed by the CoC-IEE in 2009</i>. Target date has been set to <b>30 June 2013</b>. This action was not implemented in 2009 for lack of consensus among the membership and could be implemented in the next biennium, if so decided by Members. It could be considered by CCLM and Council in 2012, for final decision by Conference in 2013.</p>
<p>3. Project 1 – Governing Body Reform – Action 4.4 - <i>any changes found desirable in the size and regional representation in the membership of the Council and propose with advice from the CCLM any necessary changes in the Basic Texts to the 2009 Session of the Conference</i>. Target date has been set to <b>30 June 2013</b>. This action was not implemented in 2009 for lack of consensus among the membership. Resumed in 2010, negotiations continued in 2011, but consensus was not reached at the 37<sup>th</sup> Session of the Conference. Matter to be kept under review in the next biennium with a view to present a revised proposal to the 38<sup>th</sup> FAO Conference.</p>
<p>4. Project 4 – Ethics – Action 3.36 - <i>Review of annual or biennial report of Ethics Committee by the Council on the basis of the findings and recommendations of the CCLM and Finance Committee</i>. Target date revised from December 2011 to <b>30 March 2013</b>. The Ethics Committee has started its activities at the beginning of 2012 and will submit its first report to the Finance Committee in March 2013.</p>
<p>5. Project 9 – Decentralization – Action 3.84 - <i>Clearly distinguishing between well established offices and any plans for additional new offices, rationalise coverage of country offices following results of review utilising agreed criteria, taking into account both existing and potential locations, efficiency, projected cost savings and cost/benefit analysis.....</i> Target date revised to <b>31 December 2013</b>. Following discussions in the CoC-IEE, a Vision for the Structure and Functioning of the Decentralized Offices Network has been prepared and discussed by various governing bodies, lastly by the Joint Meeting of the Finance and Programme Committees at their October 2011 session.</p>
<p>6. Project 10 – Headquarters Structure – Action 3.103 - <i>Review reorganization with a view to further improvements</i>. Target date revised to <b>30 November 2012</b>. Further improvements of the Headquarters structure are being introduced to better enable implementation of the Director-General’s programme.</p>
<p>7. Project 25 – Competency Framework – Action 3.66 - <i>Revise competency profiles for all job families including Regional Representatives, sub-regional coordinators and FAORs, including competencies in management and policy support</i>. Target date revised to <b>31 December 2012</b>. This action was originally scheduled to be implemented by end March 2012 and was reported as “Minor Delay” in the November 2011 report to Council. While Phase 1 of the Competency</p>



<p>Framework project has been completed, phase 2 which focuses on the mapping of the core and functional competencies, as well as the core values, to FAO job families and individual job profiles, has now been revised to complete by December 2012.</p>
<p>8. Project 25 – Competency Framework – Action 3.87 - <i>Redefine job descriptions, profile of competencies (including policy competence), recruitment and performance appraisal procedures (open competitive) for Regional ADGs, Sub-Regional Coordinators and FAORs (see also 3.66)</i> Target date revised to <b>31 December 2012</b>. This action was originally scheduled to be implemented by end March 2012 and was reported as “Minor Delay” in the November 2011 report to Council. Implementation of this action, as also indicated in its description, is closely linked to action 3.66 above and carries the same comment.</p>
<p>9. Project 26 – Mobility – Action 3.61 - <i>Establish an incentive based rotation policy in HQ and between HQ and the decentralized offices with clear criteria.</i> Target date revised from December 2011 to <b>30 June 2012</b>. The delay in finalizing the Corporate Mobility Policy has been as a result of extensive consultations with stakeholders, including staff representative bodies, due to divergent views on its more mandatory aspects. Also, the policy was kept pending the arrival of the new Director-General, in view of its strategic importance and impact on the revised PWB and on the staff, and is currently being reviewed for evaluation of its appropriateness with regard to the Director-General’s revised programme and decentralization proposals.</p>

80. An updated status as at 31 December 2011 of all IPA actions under the 29 IPA project structure announced<sup>9</sup> in CL 143/10, is attached as Annex I.

#### IV. Culture Change and Renewal Communications

81. Culture Change and Renewal Communications support renewal in FAO in a cross-organizational manner. While Culture Change underpins all areas of FAO renewal, Communications is a key supporting factor for success of renewal and for ensuring awareness and engagement across all stakeholders, including Members and Employees. This section of the report also updates members on the follow-up actions to the employee survey.

##### Culture Change

82. FAO members agree that culture change is a priority because (1) many aspects of the old culture (e.g. hierarchy, silo-mentality and risk aversion) are hampering the organization’s performance; and (2) the success of many IPA actions (e.g. results based management and performance evaluation) depends upon a change in the behaviour of management and staff (i.e. culture change). The Culture Change Project was established to address these two issues. The initial priority was to establish the agreed scope for Culture Change based on extensive external and internal consultations, which then culminated in a Vision Statement for FAO.

83. The main accomplishments in 2011 are summarized below:

- **Culture Change Strategy and Action Plan:** a corporate Culture Change Strategy and Action Plan was developed with strong support provided by a special session of the PPAB held in June 2011. 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. The initial priority areas agreed upon for culture shift action included Teamwork and Collaboration and Leading to Engage, Enable and Empower People.
- **Teamwork and Collaboration:** the Deputy Director-General, Knowledge, agreed to sponsor this activity. In June, she sponsored a major event to promote Teamwork and Collaboration. Attended by over 100 participants and web-streamed to staff across the Organization, the event was extremely well-received. Participants expressed a strong interest for more information on the

<sup>9</sup> CL 143/10, Para 77 and CL 143/10, Annex 1

experience, lessons learned and best practices in teamwork and to have easy access to tools for effective teamwork and collaboration. Work is currently under way to further promote collaboration, to raise awareness around the Organization on the benefits of teamwork and to create a pool of information resources and toolkits which can be easily accessed and shared.

- **Leading to Engage and Empower People:** culture change cannot occur without the active participation of FAO's senior leadership. To address this, an engagement/training program has been designed with the following goals: develop a shared understanding of the process of culture change and its importance for FAO's renewal; lead employees in alignment to the Organization's desired culture; develop supporting leadership skills and competencies to reinforce FAO's values and mission by focusing on development in the context of organizational change; Develop a culture of learning through shared experiences, knowledge, ideas, challenges and solutions. It is designed for the Executive Leadership Team, the Assistant Directors-General, Directors and Decentralized Offices Management. Key areas to be covered are: building trust, communication, developing transparency, delegation, teamwork and collaboration. This programme will soon be submitted the Director-General for approval for implementation during 2012-2013.

84. Also, other change activities of a more cross-cutting nature during 2011 related to:

- **Support to Local Change Teams:** culture change needs to be bottom-up as well as top-down. There are currently 22 local change teams, 11 in decentralized offices and 11 in headquarters. Setting up an infrastructure with clearly defined roles and responsibilities was considered as an essential prerequisite for culture change. As a result, Terms of Reference for Sponsors, Change Agents, and Local Change Teams were prepared and shared widely in the House, in collaboration with the FAO Staff Associations.

- **Monitoring Framework and Tracking of Culture Change:** initial work was conducted to establish a Monitoring Framework for Culture Change. The purpose of the Framework is to identify what should be measured and assessed, by whom, how and when, so that FAO has relevant and actionable information about its organizational culture. Specifically, FAO's processes for monitoring its organizational culture should provide information that can be used for decision-making and accountability to improve the Organization's performance. The Monitoring Framework recommends that initially the following areas should be prioritized: Teamwork, Innovation, Accountability and Trust.

85. As a result of these achievements, FAO senior management and all staff at headquarters and worldwide are becoming more engaged in FAO Culture Change, and the indicators currently under development within the monitoring framework will help to objectively measure improvements in organizational performance over time.

### **Communications and engagement**

86. During 2011, communication in support of FAO renewal reached out to Members, employees and to a lesser extent to external audiences. Early in the year a focused campaign in support of FAO's first all-employee survey raised awareness and stimulated a strong 77 percent response rate among employees worldwide. As indicated by the excellent response rate to the first-ever all employee Survey, FAO employees have provided clear indications on their views and opinions on Renewal.

87. Levels of understanding were improved through the distribution of A Rough Guide to FAO Renewal – a booklet and online publication designed for at-a-glance presentation of the rationale, substance and current status of all 29 projects under the Immediate Plan of Action.

88. A series of facilitated informal briefings on renewal topics was inaugurated and supported throughout the year. 15 meetings (9 in headquarters and 6 with decentralised offices) took place during 2011 bringing together employees and senior managers in face-to-face sessions at headquarters and, via videoconference and webstreaming, in decentralized offices. The sessions improved dialogue among employees in different grades and categories, and helped management convey the "big picture" on change and why it was important.

89. A regular flow of engaging news, feature articles and interviews on change-related topics was produced for the employee e-magazine FAO InTouch and for intranet pages dedicated to FAO renewal. Short videos and photography enhanced communication effectiveness, and prompted feedback, discussion and clarifications when needed.

90. FAO Members received the FAO Renewal / Members' update monthly newsletter with updates on various aspects of the renewal programme and benefits. Work on expanding the newsletter and adapting it to HTML format with online archiving was completed, with a first edition made ready to issue in the new format.

91. The renewal communication team – housed within the office of corporate communications and external relations – worked with colleagues across the house to develop a discussion paper on the future of internal communication at FAO. As the year progressed, “renewal communication” was defined less rigidly so as to include other features of organizational change. In these and other ways an effort is being made to ensure that Project 29, IPA Communications, leaves a lasting legacy and an improved FAO.

### **Employee Survey and follow-up actions**

92. A fundamental activity relating to communications with employees saw the launch of FAO's first all employee survey on FAO Renewal. As previously reported the survey was launched in January 2011 and it provided internal and external benchmarks for monitoring renewal progress over the coming years. Details of the survey's results, including scorecards and major emerging themes as expressed by employees were reported to the November 2011 session of Council<sup>10</sup>.

93. In response to the survey results, Management has considered the areas where FAO as an Organization is doing well and should work to maintain high scores, and areas identified by the survey as calling for improvements. Issues of concern to employees were: FAO supporting a culture of trust and fairness, culture change, renewal communication and renewal understanding. In response to concerns on these areas, management has developed two levels of action – corporate level actions and actions at a local level, i.e. Department and Independent Offices in HQ and Regional and Sub-Regional Offices.

94. To develop corporate actions, Management established a representative staff group comprising a cross section of employees, representatives of a staff association and HR to develop options for corporate action in response to the survey, and from these recommendations has agreed four corporate level actions. The corporate level actions are to meet the requirements of being tangible and achievable in a short timeframe with the measure of success being that these actions will make a difference to employees across the Organization which can be measured in subsequent employee surveys.

95. The corporate actions were described in detail in CL143/10<sup>11</sup> and are reproduced below with a brief status update and description of activities so far undertaken to execute them.

- **Action 1: *Improving communication***: this corporate action was prompted by Employees having expressed a desire to be more involved in change activities and to have more open and frequent communication with their ADGs and Heads of offices. The corporate action in response to this was to request ADGs and Heads of offices to conduct a participative approach with all staff within each department / office when developing local actions in response to the Employee survey results. This guidance was followed and good results were achieved, evidenced by the outcome in terms of local actions where improving communications between ADGs and Heads of Offices and staff is the predominant theme of the resulting local actions, as elaborated in the section on local level actions below.

- **Action 2: *Building successful teams***: Whilst employees reported favourably on collaboration and teamwork within their unit, there was a less favourable response to teamwork and collaboration outside of the immediate work unit. The response to this finding was to build on

<sup>10</sup> CL 143/10, paras 84-95

<sup>11</sup> CL 143/10, para 95

activities and practices already in place in some departments/units and adopt them across the Organization by developing basic principles for and guidelines on teamwork. Substantial effort has been made on this area under the guidance and leadership of the Deputy Director-General (knowledge), who is the sponsor for this corporate action.

Teamwork and Collaboration has become a “key” concept for work-life in FAO, as shown by the dedicated “Teamwork and Collaboration” web-page developed on the FAO Intranet describing the benefits of teamwork, providing “Tools and Methods” (from *Organization to Approach and Facilitation*) for running and communicating with and within teams, and the dedicated section on “Building Skills” on teamwork and collaboration. This includes training material and tutorials on how you use tools and methods. The web-page includes stories, articles and videos on perspectives on many facets of teamwork and multidisciplinary teams. Workshops are organized on a regular basis and web-cast across the Organization to provide employees with opportunities to participate, provide their views and experiences and learn and become fully familiar with teamwork.

- **Action 3: Avoiding waste and duplication:** When asked to rate FAO on avoiding waste and duplication employees did not respond favourably, particularly employees at headquarters. The activity in response to this was to support a corporate ‘process improvement initiative’ inviting employees to suggest process improvements that will help to streamline FAO. The corporate approach taken, together with an action plan for the future was presented to the IPA Board. The plan of action is currently in final stages of review and it includes:

- i. build awareness on the importance of streamlining;
- ii. collect streamlining suggestions from employees globally;
- iii. review, analyze and prioritize streamlining suggestions
- iv. make proposals for change and implement changes; and
- v. measure and revise the approach.

- **Action 4: Learning time for all:** FAO scored lowest on having a culture of trust and fairness and feedback from the independent working group suggested that employees perceive an inequity in access to training and career development. The corporate level response, aimed at instilling trust and exhibiting fairness, was to introduce a “Learning time for all” concept amounting to a one-week learning period per biennium (or 2.5 annual working days). This was announced to all staff on 9 January 2012 and Staff and supervisors have been invited to work together to identify and agree upon areas of development for the coming year as part of the PEMS Performance Planning phase. CS will be launching a learning platform in the second half of 2012 to provide increased e-learning opportunities to staff at all locations on both core competencies and skills development but also on some of the core technical programmes of the Organization.

### Local Level actions

96. Following the development of Corporate actions the IPA programme Board requested ADGs and Heads of Independent Offices to develop 1 or 2 actions at Department/Office level and issued guidelines on how to do so.

97. From September to November 2011, a range of ‘all employee’ meetings have been held to review and build understanding around the local survey results and to identify 1-2 local actions to take forward. Employee engagement has ranged from facilitated ‘off-site’ retreats to traditional presentations and discussions with high levels of employee attendance throughout. Many departments chose to discuss results at the divisional level and departmental level providing between 1-8 actions to be undertaken by different groups. Where present, local culture change teams have played a prominent role in facilitating these meetings and in taking forward these actions.

98. The predominant theme emerging from the local survey follow up actions was “*improving communication between senior management and employees*”. This is deemed to be particularly encouraging, as the guidance to ADGs and Heads of Independent Offices to fully engage with staff in developing local actions has resulted in local actions that perpetuate improved communications – one of the areas for improvement according to the employee survey.

99. Other strong reported themes were: “*building a culture of trust and fairness and culture change teams*”, “*promoting teamwork and collaboration*”, “*improving communication on the IPA*”

*and reform*” and *“better definition of roles, TORs and delegation”*. Together with the individual action, each Department / Independent Office has reported on measures of success, issues they sought to address, activities, sponsor and timeline for developing the identified follow up action.

100. The PMU will be monitoring the implementation of the local follow-up actions, as reported by the concerned Department/Office.

## **V. IPA Funding and Expenditure**

101. Implementation of the IPA in 2010-11 was financed under the budgetary appropriations voted by the Conference<sup>12</sup> for the PWB, as well as the unspent balance from the 2009 IPA Trust Fund carried forward to 2010-11.

102. As noted by the Finance Committee<sup>13</sup>, the total 2010-11 net IPA budget was USD 42.68 million, comprising the 2010-11 PWB net IPA budget of USD 39.6 million (included cost increases) plus the 2009 unspent IPA Trust Fund balance of USD 3.08 million. The 2009 unspent IPA Trust Fund balance was expended in 2010-11.

103. The 2010-11 PWB net IPA budget of USD 39.6 million comprises a gross budget of USD 44.91 million of costs and USD 5.31 million of savings. The savings of USD 5.31 million were fully achieved in 2010-11.

104. Final 2010-11 IPA expenditure against the 2010-11 gross IPA budget of USD 44.91 million totalled USD 40.434 million, leaving an unspent IPA balance of USD 4.476 million. The gross budget and expenditure for each IPA project in 2010-11 is indicated in Table 2.

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<sup>12</sup> Conference Resolution 3/2009, para 2.

<sup>13</sup> FC 138/INF/7

*Table 2 – 2010-11 gross budget, expenditure and balance*

<b>IPA gross budget and expenditure - 2010-11 (USD millions)</b>	<b>Budget (gross)</b>	<b>Expenditure</b>	<b>Balance</b>
Project 1. Governing Body Reform	3.350	3.109	0.241
Project 2. Audit	0.300	0.244	0.056
Project 3. Evaluation	1.100	1.046	0.054
Project 4. Ethics	1.000	0.906	0.094
Project 5. Reform of Programming, budgeting and RBM	0.900	0.365	0.535
Project 6. Publishing in all languages of the Organization	0.380	0.395	-0.015
Project 7. Resource Mobilization and Management	1.434	1.179	0.255
Project 8. Technical Cooperation Programme	0.280	0.153	0.127
Project 9. Decentralization	0.390	0.360	0.030
Project 10. Headquarters Structure	0.630	0.637	-0.007
Project 12. Partnerships	1.380	1.204	0.176
Project 13. Procurement	3.185	3.008	0.177
Project 14. Travel	0.300	0.124	0.176
Project 15. Translation and Printing	0.200	0.153	0.047
Project 16. Registry	2.400	2.530	-0.130
Project 19. Improve Telecoms Connectivity to DOs	5.145	4.695	0.450
Project 20. Oracle R12	2.350	2.381	-0.031
Project 21. Other IT Actions	3.570	2.946	0.624
Project 22. Enterprise risk management	0.700	0.477	0.223
Project 23. Culture Change	2.300	1.642	0.658
Project 24. PEMS	1.400	1.285	0.115
Project 25. Competency Framework	2.143	2.057	0.086
Project 26. Mobility	1.650	2.200	-0.550
Project 27. Other Human Resources Actions	5.270	4.429	0.841
Project 28. Management follow-up	2.853	2.721	0.132
Project 29. IPA Communications	0.300	0.188	0.112
<b>Total</b>	<b>44.910</b>	<b>40.434</b>	<b>4.476</b>

### Requests for carry forward of funds from 2010-11 to 2012-13

105. As authorized by the Conference in July 2011, any unspent balance of the 2010-11 appropriations is carried over for full implementation of the IPA, including one-time IPA investment costs to be incurred during the 2012-13 financial period<sup>14</sup>. The IPA carry-over amount of USD 4.476 million includes USD 1.028 for deferred 2010-11 IPA investments costs, and USD 3.448 to offset 2012-13 IPA investment costs. The latter will contribute to the Organizational target of identifying further efficiency gains, one-time savings, and forecasted use of unspent 2010-11 balances, as mandated by the July 2011 Conference.

106. The two projects which have deferred 2010-11 investment costs totalling USD 1.028 million are:

- a. Project 5 (Reform of programming budgeting and RBM), USD 0.475 million of their 2010-11 balance of USD 0.535 million. The deferred amount will be used for activities associated with the Effective Country Programming – Learning Programme in 2012-13 under IPA action 3.88 (benchmarking).

<sup>14</sup> C 2011/REP – Resolution 5/2011 Budgetary Appropriations 2012-13, paragraph 2

b. Project 21 (Other IT actions), USD 0.553 million of their 2010-11 balance of USD 0.624 million. The deferred amount will be used to cover costs for IPA action 7.0 (IT governance) investment prioritization and approval process work that was meant to start in 2011, but was postponed given the delays in finalizing the approval and implementation of the new rationalized Governance Structure proposal. In addition the deferred funding will be used to cover action 7.26 (design of Management Information System - MIS) expenditures that were reduced during the 2nd half of 2011 and activity delayed in order to align to the GRMS programme. More effort will be expended in 2012 and 2013 to realize the benefits of an integrated MIS system.

### 2012-13 IPA Budget

107. Funding for 2012-13 approved PWB included the appropriations (net) of USD 39.141 million<sup>15</sup> to fund the implementation of the IPA, comprising an estimated amount of USD 22.359 million for net recurring costs and USD 16.782 million for one-time investment costs. The carry forward from 2010-11 of USD 1.028 million will be added to the one-time investment costs in 2012, increasing the PWB 2012-13 approved budget from USD 39.141 million (net) to USD 40.169 million (net), see Table 3.

*Table 3 – IPA Budget 2012-13*

IPA budget 2012-13 (USD millions)					
	One-Time Investment Costs	Recurrent			Total
		Costs	Savings	Net	
PWB C 2011/REP	16.782	32.909	-10.550	22.359	<b>39.141</b>
Plus 2010-11 Carry forward	1.028	0.000	0.000	0.000	<b>1.028</b>
Total 2012-13 Budget	17.810	32.909	-10.550	22.359	<b>40.169</b>

108. A breakdown of the IPA budget 2012-13 by project, including the carry forward from 2010-11, is illustrated in Table 4.

<sup>15</sup> C 2011/REP – Resolution 5/2011 Budgetary Appropriations 2012-13, paragraph 1 b

*Table 4 – 2012-13 Budget by IPA Project – Includes One-Time 2010-11 carry forward*

<b>IPA budget - 2012-13 (USD millions)</b>	<b>One-Time Investment</b>	<b>Recurrent Costs</b>	<b>Savings</b>	<b>Total</b>
Project 1. Governing Body Reform	0.200	2.320		2.520
Project 2. Audit		0.300		0.300
Project 3. Evaluation		2.010		2.010
Project 4. Ethics		1.920		1.920
Project 5. Reform of Programming, budgeting and RBM	2.615	0.000		2.615
Project 7. Resource Mobilization and Management		1.340		1.340
Project 12. Partnerships	0.400	1.720		2.120
Project 13. Procurement	1.330	1.700	-3.260	-0.230
Project 14. Travel		0.300	-1.970	-1.670
Project 15. Translation and Printing		0.180	-0.600	-0.420
Project 16. Registry	1.000	0.000	-2.460	-1.460
Project 19. Improve Telecoms Connectivity to DOs		5.000		5.000
Project 20. Oracle R12	3.160	0.000		3.160
Project 21. Other IT Actions	1.553	0.600	-1.140	1.013
Project 22. Enterprise risk management		0.800		0.800
Project 23. Culture Change	2.300	0.000		2.300
Project 24. PEMS		1.400		1.400
Project 25. Competency Framework	1.900	2.720	-1.120	3.500
Project 26. Mobility		2.800		2.800
Project 27. Other Human Resources Actions		7.580		7.580
Project 28. Management follow-up	2.525	0.219		2.744
Project 29. IPA Communications	0.827	0.000		0.827
<b>Total</b>	<b>17.810</b>	<b>32.909</b>	<b>-10.550</b>	<b>40.169</b>

109. Management will provide a report on 2012 expenditures at the next Finance committee meeting to be held in October 2012.

110. Management looks forward to a continuing active and participative partnership with Members as IPA implementation continues, and the IPA is fully integrated into a reformed Organization in the 2012-13 biennium.

## **PART II. New Direction for 2012**

### **VI. Overview**

#### **Introduction**

111. December 2011 marks the end of the third of five years scheduled to complete the IPA programme. As reported in Section III, Quantitative Progress, more than 80% of IPA actions have now been completed and fewer than 20% carry forward into 2012-13. These, however, include many of the more complex actions remaining to be completed. In approaching 2012 the Organization has renewed its impetus and is focused and engaged to ensure successful and full completion of IPA implementation. This part of the report also updates Members on the findings of the external review of the IPA programme carried out through the Office of the Inspector General.

#### **New Direction for FAO renewal**

112. In his addresses to the 143<sup>rd</sup> Session of the Council<sup>16</sup> and to FAO staff<sup>17</sup>, the Director-General expressed his full commitment to a successful completion of the FAO renewal process and

<sup>16</sup> Director-General's address to Council on 1<sup>st</sup> December 2011, morning session



recognized that this represented an important contribution towards making FAO a more efficient Organization.

113. However, the Director-General also indicated that the Organization cannot go on reforming forever. The renewal process needs to be brought to a satisfactory conclusion as soon as possible, with a large proportion of the agreed actions being completed within 2012 and with IPA actions mainstreamed in the work of the Organization.

114. In January 2012 the Director General confirmed this commitment and provided a new direction to FAO renewal. This direction focused on three main activities, which inter-relate and complement each other, and focus on the need:

- to bring the FAO renewal to a successful conclusion.
- to mainstream IPA actions into the work of the Organization
- to accelerate the reform process.

115. Bringing the renewal process to a successful completion implies that the IPA reporting focus needs to move from implementation of IPA actions to realization of benefits. This is what is expected from the Organization by FAO Member Nations and what the Director-General intends to achieve, so that the Organization can go beyond the renewal and transform itself into an Organization that is constantly identifying and implementing better ways of working, and be better positioned to address the real problems faced by one billion hungry people.

116. In addition to this focus on benefits, renewal activities need to become an integral part of how FAO conducts its day-to-day business, with renewal initiatives mainstreamed into FAO's regular activities and work-plans, providing a more results-based focus to our work and contributing to FAO's key focus work areas.

117. The original timeframe for implementation of the FAO reform was 3 years, from 2009 until 2011. Following discussions in 2009<sup>18</sup> on the 2010-11 budgetary implications of a three year timeframe, Members agreed to extend the implementation to five years, from 2011 to 2013. With over 80% of the renewal programme actions completed, management intends to accelerate implementation of the remaining actions and complete as many as possible within 2012.

118. However, due to the complex nature of some of the open IPA actions, it is recognized that a small number of renewal actions will not complete by the end of 2012. These actions are fundamental to the successful drive forward of key work areas of the Organization, including those that will further reinforce FAO as a results-based Organization, and contribute to a renewed focus on effective decentralization.

### **Management Actions**

119. Actions proposed by Management are summarised in Director-General's Bulletin (DGB) 2012/08, of 19 January 2012, reproduced in Annex II to this report, which called for an immediate more effective, less bureaucratic and more streamlined management of the IPA programme. This resulted in a streamlined IPA Programme Board, chaired by the Director-General's representative on FAO renewal and comprising the Acting Directeur de Cabinet, the two Deputy Director-Generals and the Director of the IPA Programme Management Unit.

120. In addition to the above, DGB 2012/08 elaborated on the new direction described above by calling for Management to take action in 2012 in three areas:

- a) Undertake a benefits realization initiative to identify and report on the benefits accrued and accruing from implementation of the IPA programme. The initial framework of IPA benefits as reported to Members in 2010<sup>19</sup> is in the process of being verified, updated and expanded, ensuring

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<sup>17</sup> Director-General's address to FAO staff on 10<sup>th</sup> January 2012

<sup>18</sup> CL 137/9 refers

<sup>19</sup> CL 140/14 refers

that each IPA renewal benefit has an owner and a clear set of agreed indicators that will demonstrate achievement of benefit. For those benefits not yet delivered, a benefits delivery plan will be developed that sets a timeframe for delivery of the identified tangible benefits. Given its relevance towards ensuring successful completion of IPA implementation, the Benefits Realization Initiative represents a major activity throughout 2012 and is elaborated in Section VII of this report.

- b) Mainstream IPA actions into the work of FAO divisions and departments, mapping these to the key future areas of focus for the Organization and integrating into Departmental workplans;
- c) Accelerate completion of open IPA actions during 2012 in order to complete as many actions as possible within 2012.

121. Implementation of the IPA also needs to become more efficient and the Programme Management Unit (PMU) has been given delegated authority to accelerate IPA implementation in 2012 and oversee benefits realization.

### **External Assessment of the IPA Programme through the Office of the Inspector General**

122. As noted in Section II above, the Office of the Inspector General (OIG) commissioned in September 2011 a change management engagement to the Mannet consulting firm. This was to undertake a rapid, high-level review of the implementation of the IPA with the overall purpose of helping the Organization optimize the benefits from its considerable investment in the IPA

123. The report was received in mid January 2012 and its main conclusions, as reported in its executive summary, are:

- That the reform process has led to a broad range of initiatives designed to build FAO capacity and that some important foundations have been laid. However, the focus in most if not all cases has been at the “surface level”, and this alone cannot bring about the organizational transformation and renewal desired by Members.
- That the IPA has done its job as an immediate plan of action, and the actions not yet finished should be completed and mainstreamed as quickly as possible. The longer term organizational strengthening approach must be carefully managed to leverage more fundamental and systemic change. In developing a plan for the transition, it is important to think about sequencing and integrating the different efforts, as well as genuine receptiveness to change.

124. The report proposes a way forward to help FAO achieve transformational change. In summary, it proposes that FAO must build a robust field network, it must continue to strengthen essential institutional foundations, especially in the HR area, and it must continue to leverage systemic and cultural change.

125. The report was well received by Management as its conclusions supported the direction and decisions already taken by the Organization.

126. The nature, complexity and wide-ranging scope of the IPA Programme have accounted for the focus on what is referred to in the Mannet report as “surface level” implementation of what has been mandated by IPA actions. However, management would not agree that these changes are not having a fundamental impact on the effectiveness of the Organization. The initiative to catalogue and report on the tangible benefits realized as a result of the IPA, described in Section VII represents a deliberate shift in emphasis from action delivery to benefits realization, which will indicate the benefits accruing to the Organization of the IPA actions.

127. Alongside this benefits-focused initiative, the Director-General has also indicated that the renewal process needs to accelerate, with a large proportion of the agreed actions being completed within 2012 and with IPA actions mainstreamed in the work of the Organization.

128. In his address to the 143<sup>rd</sup> Session of the Council<sup>20</sup>, the Director-General clearly stated that improving FAO’s capacity to deliver in the field and the Human Resources area are two of his

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<sup>20</sup> Director-General’s address to Council on 1<sup>st</sup> December 2011, morning session

highest priorities and in his Bulletin on IPA Direction issued in January 2012 and attached as Annex II to this report, the Director-General clearly states that the aim is to transform FAO "... into an Organization that is constantly identifying and implementing better ways of working ...", thus indicating a direction towards the "systemic change" called for by the OIG / Marnet Review.

129. The Executive Summary of the OIG / Marnet report is attached as Annex III to this 2011 Annual Report on IPA implementation. The full report "Assessment of the IPA Programme - A Way Forward" is accessible through [Web Annex](#) (Only English). This is available in English only for cost efficiency purposes.

## VII. Benefits Realization Initiative

130. During 2012, FAO is launching a major initiative to catalogue and report on the tangible benefits realized as a result of the IPA.

131. The PMU will develop a draft benefits catalogue which will be syndicated and agreed with the senior managers who are responsible for IPA delivery. These managers and their staff will then track the measurable indicators for each key benefit and be held accountable for their realization.

132. To ensure that the approaches adopted are realistic, a realization plan for each major benefit will be developed and the risks to its success assessed in a structured way. The initiative represents a deliberate shift in emphasis, from action delivery to benefits realization, which will enable the organization to maximize the benefit of the IPA investment and re-focus the IPA on delivering value.

133. Benefits will be analyzed in two dimensions – the timeframe over which they will be delivered and their type:

- In terms of timeframe, each IPA benefit will be categorized according to whether it has been achieved, whether it is in the process of being achieved, or whether it is an anticipated future benefit (and if so, the timeframe over which its delivery is expected).
- In terms of benefit type, benefits will initially be categorized according to whether they are purely financial, or whether they are non-financial.

134. Financial benefits represent the financial impact of the reform – the funds the membership has invested and the financial returns achieved through financial savings. But the purpose of the FAO reform goes beyond financial returns; Members and staff reasonably expect the IPA to deliver wider tangible benefits of organizational improvement.

135. An example of a financial benefit relates to IPA action 7.16 on Registry Management, where the number of Registry posts has been reduced from 43 to 28, cutting the cost of operating the Registry management service by USD 2.46 million per biennium.

136. The second type of benefit – non-financial benefits – relates to the tangible improvements to the enabling environments of governance, culture, processes, systems and information which underpin improvements in FAO's performance.

137. Non-financial benefits will be further classified into clearer purpose, stronger support and improved delivery across three areas:

- (i) those that enable the improved provision of inputs, such as human resources (for example improvements in the time taken to recruit staff, or better targeting of the location of our resources closer to the point of need)
- (ii) those that enable the improved delivery of outputs, and
- (iii) those that enable the improved achievement of positive outcomes by the organization. This final category of outcomes is more elusive and difficult to measure, but much more important than the first two categories because it takes an external viewpoint and considers the outcomes and impact of the reform on the substantive results of the Organization.

138. IPA action 7.16 on Registry Management also provides an example of non-financial benefits, as modernizing records management has improved FAO's effectiveness by:

- Making institutional knowledge more accessible, through improved record capture and on-line search facilities;
- Supporting inter-disciplinary work by improving information sharing across departmental and geographical boundaries; and
- Enabling more effective team-work by providing team-based digests of new information.

139. The approach and progress achieved to date on the benefits realization initiative will be shared with Members during an Informal Briefing foreseen during the second quarter of 2012, similarly to the one held on 29 February 2012. The benefits realization outcome will then be described in more detail during the Governing Body meetings in October and November of 2012. The work will last throughout the year, and a full account of the tangible benefits realized as a result of the IPA will be presented to the Governing Bodies in the 2012 annual report on IPA implementation.

## Annex I

## Quantitative progress and Comprehensive analysis of status of IPA actions

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
	<b>1. Governing Body Reform - Ali Mekouar</b>				
	Governance Priorities				
2.1	Global policy coherence and regulatory frameworks: Systematically review the global situation to determine those issues requiring priority initiative for greater policy coherence and study current regulatory frameworks to determine areas requiring early action by FAO or in other fora.			Completed	Completed in 2009
2.2	As appropriate take into consideration policy issues and instruments relating to food and agriculture being developed in other fora than FAO and provide recommendations to those fora	01.06.2010	02.07.2011	Completed	Completed in 2011
2.3	See also below – for roles of the various Governing Bodies	01.06.2010	02.07.2011	Completed	Completed in 2011
2.4	Executive governance: Strengthen roles and coverage of Governing Bodies (see below)	01.03.2010	02.07.2011	Completed	Completed in 2011
	The Conference				
2.5	Each session of the Conference will usually have one major theme agreed by the Conference, normally on the recommendation of the Council			Completed	Completed in 2009
2.6	Conference will give more attention to global policy issues and international frameworks (including treaties, conventions and regulations), normally acting on recommendations of the Technical Committees & Regional Conferences and where appropriate, Council (it will receive directly the pertinent sections of Technical Committee and Regional Conference reports)	01.06.2010	02.07.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.7	Conference will meet in June of the second year of the biennium			Completed	Completed in 2009
2.8	Conference will approve the Organization's Priorities, Strategy and Budget having considered the recommendations of the Council (see Programme and Budget Procedure below)			Completed	Completed in 2009
2.9	The Conference report will concentrate on conclusions and decisions, which may be defined in drafting committees and "friends of the Chair" as appropriate. The verbatim will provide the detail of interventions and will be published in all FAO languages.	01.04.2011	02.07.2011	Completed	Completed in 2011
2.10	Formal plenary meetings will become more focused on issues of vital interest to members			Completed	Completed in 2009
2.11	Side events will be developed to provide a forum for informal interchange on development of issues	01.02.2011	02.07.2011	Completed	Completed in 2011
2.12	Changes in practice will be introduced, including ways of working and reporting lines as detailed below with respect to the various Bodies	01.06.2010	02.07.2011	Completed	Completed in 2011
2.13	Basic Text changes for functions, reporting lines, role in making recommendations to the Conference, etc. as detailed in the Action Matrix			Completed	Completed in 2009
	The Council				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.14	The Council functions will be clarified as necessary in the Basic Texts and will include: i) the major role in deciding and advising on: · work-planning and performance measures for the Council itself · work-planning and performance measures for the Council itself and for other Governing Bodies excluding the Conference; · monitoring and reporting performance against these measures; · strategy, priorities and budget of the Organization; · the overall programme of work; · major organizational changes, not requiring Conference changes of Basic Texts; · recommending the agenda of the Conference to the Conference;			Completed	Completed in 2009
2.15	ii) monitor the implementation of governance decisions;			Completed	Completed in 2009
2.16	iii) exercise oversight, ensuring that: · the Organization operates within its financial and legal framework; · there is transparent, independent and professional audit and ethics oversight; · there is transparent, professional and independent evaluation of the Organization's performance in contributing to its planned outcomes and impacts; · there are functioning results-based budgeting and management systems; · policies and systems for human resources, information and communication technology, contracting and purchasing, etc are functional and fit for purpose; · extra-budgetary resources are effectively contributing to the Organization's priority goals; and			Completed	Completed in 2009
2.17	iv) monitor the performance of management against established performance targets.	11.04.2011	25.11.2011	Completed	Completed in 2011
2.18	The Council shall make a clear recommendation to Conference on the Programme and Budget Resolution including the budget level	11.04.2011	<del>02.07.2011</del> 30.06.2013	Major Delays	No consensus between member states

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.19	The Council will meet more flexibly and for variable lengths of session as appropriate to the agenda (normally a minimum of 5 sessions per biennium) - Section C Chart 1 Programme and Budget planning and review cycle:	17.05.2010	25.11.2011	Completed	Completed in 2011
2.20	OLD - i) There will be: a short meeting (minimum two days) after each session of the Programme and Finance Committees. NEW- i) There will be additional short sessions or informal meetings.	03.05.2010	31.10.2011	Completed	Completed in 2011
2.21	ii) The meeting of the Council to prepare the Conference will be at least two months prior to the Conference, so that recommendations can be taken account of, including recommending the final agenda of the Conference to the Conference for its final approval.			Completed	Completed in 2009
2.22	The Council Report will consist of conclusions, decisions and recommendations (verbatim to provide detail and be published in all languages)	17.05.2010	25.11.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
2.23	The Council will no longer discuss global policy and regulatory issues, unless there is an urgent reason to do so (to be handled by the Technical Committees and the Conference)			Completed	Completed in 2009
2.24	Changes of practice, including ways of working and reporting lines will be introduced for the Council (see below with reference to other bodies)			Completed	Completed in 2009
2.25	Introduce Basic Text changes for functions, reporting lines, etc.			Completed	Completed in 2009
	Independent Chairperson of the Council				



	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.26	Revise Basic Texts to clearly specify the proactive facilitation role of the Independent Chairperson of the Council for the Governance of FAO, eliminating any potential for conflict of roles with the managerial role of the Director-General and, including, in addition to chairing meetings of the Council:			Completed	Completed in 2009
2.27	a) serve as an honest broker in arriving at consensus between members on controversial issues;			Completed	Completed in 2009
2.28	b) liaise with the Chairs of the Programme and Finance Committees and CCLM on their work programmes and as appropriate with the chairs of Technical Committees and Regional Conferences, normally attending the Programme and Finance Committees and Regional Conferences;			Completed	Completed in 2009
2.29	c) as and when he/she considers it useful, the Independent Chairperson of the Council may call for consultative meetings with representatives of the Regional Groups on issues of an administrative and organizational nature for the preparation and conduct of a session;			Completed	Completed in 2009
2.30	d) liaise with FAO senior management on concerns of the membership, expressed through the Council and its Programme and Finance Committees and the Regional Conferences;			Completed	Completed in 2009
2.31	e) ensure that the Council is kept abreast of developments in other fora of importance for FAO's mandate and that dialogue is maintained with other Governing Bodies as appropriate, in particular the Governing Bodies of the Rome based food and agriculture agencies;			Completed	Completed in 2009
2.32	f) drive forward the continuous improvement of the efficiency, effectiveness and Member ownership of FAO Governance.	02.01.2010	31.12.2011	Completed	Completed in 2011
2.33	g) The Basic Texts will also specify:			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.34	<p>i) desirable qualifications (competencies) for the Independent Chairperson to be developed by the Conference Committee with advice of the CCLM and decided by the 2009 Conference</p> <p>ii) that the Independent Chairperson is required to be present in Rome for all sessions of the Council and will normally be expected to spend at least six to eight months of the year in Rome</p>			Completed	Completed in 2009
	<b>Programme and Finance Committees</b>				
2.35	Clarifications of functions and ways of working will be introduced immediately in practice and followed-up by Basic Text changes, including on clarification of functions:			Completed	Completed in 2009
2.36	i) Programme Committee functions will emphasise programme priorities, strategy, budget and evaluation and will also include: consideration of field and decentralized work; priorities for the Organization to address in developing global policy coherence and regulation; and partnership and coordination with other organizations for technical work;	01.02.2010	14.10.2011	Completed	Completed in 2011
2.37	ii) Finance Committee will cover all aspects of administration, services and human resources as well as finance, including the policies and budget for these areas of work – becoming a Finance and Administration Committee;	01.02.2010	14.10.2011	Completed	Completed in 2011
2.38	iii) The Committees will meet more flexibly and for variable lengths of session as appropriate to the agenda and in line with the programme and budget planning and review cycle (see Chart 1) - (minimum number of sessions normally four per biennium);	01.02.2010	14.10.2011	Completed	Completed in 2011
2.39	iv) The two Committees will hold more joint meetings. The discussion will be in joint session, whenever there is overlap in the discussion, or the two Committees contribution will have a strong complementarity;	01.02.2010	14.10.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.40	v) The Committees will be required to make clear recommendations and give more attention to policies, strategies and priorities in order to provide improved oversight and more dynamic guidance to the Council; and	01.02.2010	14.10.2011	Completed	Completed in 2011
2.41	vi) The Finance Committee will agree and adopt criteria for which WFP documentation it should review.	01.06.2010	<del>15.04.2011</del> 02.12.2011	Completed	Completed in 2011  Ongoing process of continuous improvement
2.42	Introduce changes in practice, including ways of working (see below)			Completed	Completed in 2009
2.43	Introduce Basic Text changes for functions of the Committees			Completed	Completed in 2009
2.44	Programme and Finance Committees membership, chairs and observers: - Changes will be introduced in the Basic Texts, including for the election of members. The members will be countries not individuals but in nominating their representatives countries will be expected to propose representatives with the necessary technical qualifications, and:			Completed	Completed in 2009
2.45	i) chairs will be elected by the Council on the basis of their individual qualifications and will not occupy seats of their electoral groups or represent a region or country (in the event of a chair falling vacant, the incumbent will be replaced by a vice-chair of the Committee elected by the Committee, until such time as a replacement can be elected by the Council);			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.46	i) the membership of the Committees will each be increased, in addition to the Chair, to twelve representatives with each region having a right to up to two representatives each for Africa, Asia, Latin America and the Caribbean, the Near East and Europe and one representative each for North America and the South West Pacific nominated by the region and confirmed by the Council (countries may substitute their members for individual meetings or during the term of office, thus avoiding that a seat remains empty)			Completed	Completed in 2009
2.47	ii) Committees, including joint meetings will be open to non-speaking observers.	12.04.2010	14.10.2011	Completed	Completed in 2010 Costs in IPA Programme 2012-13
	<b>Committee on Constitutional and Legal Matters (CCLM)</b>				
2.48	Changes will be introduced in the Basic Texts, including for the election of members. The members will be countries not individuals but in nominating their representatives countries will be expected to propose representatives with the necessary legal qualifications;			Completed	Completed in 2009
2.49	The chair will be elected from amongst the CCLM members by the Council on the basis of his/her individual merit (in the event of a chair falling vacant, the incumbent will be replaced by a vice-chair of the Committee elected by the Committee, until such time as a replacement can be elected by the Council);			Completed	Completed in 2009
2.50	The Committee will have seven members, with each region having a right to one member nominated by the region and confirmed by the Council (countries may substitute their members for individual meetings or during the term of office, thus avoiding that a seat remains empty)			Completed	Completed in 2009
2.51	The CCLM will be open to non-speaking observers			Completed	Completed in 2009
	<b>Regional Conferences</b>				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.52	Changes in lines of reporting, functions and ways of working will be introduced immediately in practice and followed-up by Basic Text changes, including changing the status of the Regional Conferences to Committees of the FAO Conference:	01.02.2010	30.06.2012	On Track	
2.53	a) Functions will include: i) Develop issues for regional policy coherence & regional perspective on global policy issues & regulation – presenting its report to the FAO Conference ii) Review and advise on the FAO programme for the region and the overall FAO programme as it affects the region – presenting its report to the Council through the Programme and Finance Committees	01.02.2010	02.07.2011	Completed	Completed in 2011
2.54	b) Ways of working – Regional Conferences will: i) be convened normally once in every biennium on the decision of the Members of FAO from the region and with full consultation among members on agendas, formats, dates & duration and need for the Conference; ii) appoint a rapporteur; iii) the Chair and rapporteur will remain in office between sessions and the Chair, or if not available the rapporteur, will present the Regional Conference report to the FAO Council and Conference (with consideration also by the Programme and Finance Committees as appropriate) in line with the new cycle of governing body oversight and decision making for the programme and budget process; iv) to the extent possible, hold sessions in tandem with other inter-governmental regional bodies concerned with agriculture; v) papers for Regional Conferences will be focused with actionable recommendations.	01.02.2010	02.07.2011	Completed	Completed in 2011  Ongoing process of continuous improvement
2.55	Introduce Basic Text changes for functions, reporting lines, etc.			Completed	Completed in 2009
	Technical Committees				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.56	The Committees will report to Council on FAO's budget, and the priorities and strategies for the programmes and directly to the FAO Conference on global policy and regulation becoming Committees of the Conference, and:			Completed	Completed in 2009
2.57	a) Chairs will remain in office between sessions and provide their reports to the Council and Conference;	14.06.2010	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement Costs in IPA Programme 2012-13
2.58	b) Ways of working –Technical Committees will: i) meet more flexibly as to duration and frequency, according to needs, normally once in each biennium. They will address priority emerging issues and may be convened especially for this purpose;	14.06.2010	04.02.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
2.59	ii) the Chair will facilitate full consultation with Members, on agendas, formats and duration	14.06.2010	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
2.60	iii) More use will be made of parallel sessions and side events, taking care that countries with small delegations can participate (informal sessions will include NGOs and the private sector including representation from developing countries);	14.06.2010	04.02.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
2.61	iv) The Committee on Agriculture (COAG) will specifically include and devote adequate time in its agenda to livestock with a livestock segment;			Completed	Completed in 2009
2.62	v) The Committee on Commodity Problems (CCP) will strengthen interaction with UNCTAD, WTO and the Common Fund for Commodities;			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.63	vi) The Committee on World Food Security (CFS) will revitalise its role in monitoring and driving progress on the World Food Summit commitment and reviewing the State of Food Insecurity in the world.			Completed	Completed in 2009
2.64	Introduce changes in practice, including ways of working and reporting lines			Completed	Completed in 2009
2.65	Introduce Basic Text changes for functions, reporting lines, etc.			Completed	Completed in 2009
	<b>Ministerial meetings</b>				
2.66	OLD - Basic Text Change to specify that the Conference or Council may call a Ministerial meeting when matters developed at technical level need political endorsement or more visibility. NEW - Conference or Council may call a Ministerial meeting when matters developed at technical level need political endorsement or more visibility.	17.05.2010	25.11.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
2.67	The Ministerial meeting reports will normally be considered directly by the Conference.	17.05.2010	25.11.2011	Completed	Completed in 2011
	<b>Statutory Bodies, Conventions, Treaties, Codex, etc.</b>				
2.68	Conferences of parties to treaties, conventions and agreements such as Codex and the IPPC (incorporated under FAO statutes) may bring issues to the attention of the Council and Conference through relevant the Technical Committee (Basic Text Change)	17.05.2010	25.11.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
2.69	Undertake a review with a view to making any necessary changes to enable those statutory bodies which wish to do so to exercise financial and administrative authority and mobilise additional funding from their members, while remaining within the framework of FAO and maintaining a reporting relationship with it.	01.06.2010	31.12.2013	On Track	
	<b>Further Actions to Improve the Effectiveness of FAO Governance</b>				
2.70	The Council, Programme and Finance Committees, CCLM, Regional	04.01.2010	30.06.2013	On Track	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
	Conferences and Technical Committees will each:				
2.71	a) prepare a multiyear programme of work of at least four years duration, once per biennium which will be reviewed by the Council and/or Conference (in accordance with their respective reporting lines);	04.01.2010	30.06.2013	On Track	
2.72	b) prepare a report of their progress against the Programme of Work once every two years also for review by the Council and/or Conference.	04.01.2010	30.06.2013	On Track	
2.73	The term Governing Bodies will be defined, preferably in the Basic Texts			Completed	Completed in 2009
2.74	The Conference will assess the workings of the governance reforms, including the role and functioning of the Regional Conferences with an independent review as an input to this process.	04.01.2010	<del>30.06.2013</del> 30.06.2015	On Track	
2.75	In order to further transparency and communication the Director-General will report to and dialogue with the Council and the Joint Meeting of the Programme and Finance Committees on the: <ul style="list-style-type: none"> <li>· Strategic Framework and Medium Term Plan priorities;</li> <li>· Priority goals which senior management has established for immediate progress;</li> <li>· annual and biennial performance.</li> </ul>			Completed	Completed in 2009
2.76	Costs of revising the Basic Texts for all Governing Bodies: Work to be carried out by Legal Office and CCLM for revisions of Basic Texts			Completed	Completed in 2009
	Appointment and Term of Office of the Director-General				
2.95	Introduce procedures and Basic Text changes to strengthen opportunity for the FAO membership to appraise candidates for the post of Director-General prior to the election, including:	15.02.2010	02.07.2011	Completed	Completed in 2011



	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.96	a) Candidates for the post of the Director-General will address the Conference at which the election will be held. Members will have the opportunity to put questions to candidates (expenses of candidates will be covered from the FAO Budget);	25.06.2011	02.07.2011	Completed	Completed in 2011
2.97	b) Candidates for the post of the Director-General will address a session of the FAO Council not less than 60 days prior to the Conference at which the election will be held. At that session both Members and observers to the Council will have the opportunity to put questions to candidates (the meeting with candidates is for information only and no recommendation or conclusion of the discussion will be made - expenses of candidates will be covered from the FAO Budget);	11.04.2011	15.04.2011	Completed	Completed in 2011
2.98	a) Nominations by Member Governments of candidates for the post of Director-General will close at least 60 days prior to the above Council session;	01.02.2010	31.01.2011	Completed	Completed in 2011
2.99	b) When the post of Director-General is due to become vacant it will be publicised, no less than 12 months before the closure of nominations, noting that all nominations remain fully the responsibility of Member Countries;			Completed	Completed in 2009
2.100	c) The FAO Conference will consider for approval desirable qualifications for the post of Director-General developed by the CoC-IEE in 2009.	N/A	<del>N/A</del> 30.06.2013	Major Delays	No consensus between member states
2.101	Change Basic Texts for period of office of the Director-General to four years with possibility of renewal for one further period of four years			Completed	Completed in 2009
	<b>Governing body follow-up</b>				
4.0	Follow-up Arrangements for Implementation of the Immediate Plan of Action			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
4.1	The Council will monitor the progress of implementation of the Immediate Plan of Action, and report to the Conference at its 36th Session (2009) and its 37th Session (2011). It will be supported in this by the Programme and Finance Committees and reports from the management.	01.01.2009	<del>31.12.2011</del> 31.12.2013	On Track	
4.2	A time-bound Conference Committee will be established for the duration of 2009 under Article VI of the FAO Constitution to complete outstanding work within the Immediate Plan of Action (see below). It will present its report to the 36th Session of the FAO Conference in November 2009. This Committee will collectively decide the final recommendations of the Committee to the Conference, arriving at its decisions to the maximum extent possible through consensus. The Conference Committee will undertake its work with the direct support of Working Groups and with direct expert inputs to the Working Groups from the Programme and Finance Committees and the advice of the Council as appropriate. FAO management is expected to actively support the Committee and participate in its meetings and those of its Working Groups. The functions of the Committee, without prejudice to the statutory functions of the Council and its standing committees are: i) to recommend to the 36th session of the FAO Conference (2009):			Completed	Completed in 2009
4.3	· the new Strategic Framework, Medium Term Plan 2010-13 and the Programme of Work and Budget 2010-11 proposed by management with a new integrated results-based framework. These recommendations will be developed by the Conference Committee and will be undertaken with the support of a Working Group of the Conference Committee and with direct expert inputs to the Working Group from the Programme and Finance Committees, the support of management and the advice of the Council as appropriate;			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
4.4	· any changes found desirable in the size and regional representation in the membership of the Council and propose with advice from the CCLM any necessary changes in the Basic Texts to the 2009 Session of the Conference;		30.06.2013	Major Delays	No consensus between member states
4.5	· further reforms of systems, culture change and organizational restructuring, including: <ul style="list-style-type: none"> <li>• Follow-up action to the final report of the Root and Branch Review (17 April 2009);</li> <li>• Initiation and review of the report of the study for an Organizational Risk Assessment and Management Framework,</li> <li>• Plans for increased effectiveness and streamlining of the decentralized offices;</li> <li>• Plans for restructuring of headquarters;</li> <li>• Detailed proposals for strengthened financial management; and</li> <li>• Detailed proposals for strengthened Human Resource management.</li> </ul>			Completed	Completed in 2009
4.6	ii) to provide policy oversight and guidance of the process of revision of the Basic Texts in line with the changes provided for in the Immediate Plan of Action (and propose the necessary changes to the Conference Report). This work will be carried out on the basis of the recommendations of the Committee on Constitutional and Legal Matters (CCLM) and review by the Council as appropriate.			Completed	Completed in 2009
4.6a	Hold up to three CoC-IEE meetings per year in 2010-11	01.01.2010	<del>31.12.2011</del> 02.07.2011	Completed	Completed in 2011
4.10	Establish Trust Fund and costs of 2009 implementation			Completed	Completed in 2009
4.11	Contribute to trust fund			Completed	Completed in 2009
	<b>2. Audit - John Fitzsimon</b>				
	Audit				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.91	In line with current policy, the work of the Inspector-General's office will be extended to cover all major organizational risk areas, making use of external expertise as necessary	01.01.2010	31.12.2011	Completed	Completed in 2011  Ongoing process of continuous improvement  Costs in IPA Programme 2012-13
2.92	The Audit Committee: a) will be appointed by the Director-General and have a membership which is fully external agreed by the Council on the recommendation of the Director-General and Finance Committee;			Completed	Completed in 2009
2.93	b) present an annual report to the Council through the Finance Committee			Completed	Completed in 2009
2.94	The External Auditor will assume responsibility for audit of the immediate office of the Director-General in addition to the regular audits carried out by the Inspector-General			Completed	Completed in 2009
	<b>3. Evaluation - Robert Moore</b>				
	Evaluation				
2.77	Establishment of evaluation as a separate and operationally independent office inside the FAO secretariat structure, reporting to the Director-General and to the Council through the Programme Committee.			Completed	Completed in 2009
2.78	Evaluation Budget: The evaluation Regular Programme budget will be increased to 0.8-1.0% of the total Regular Programme Budget (over two biennia) and once decided upon by the Governing Bodies, as part of the Programme of Work and Budget approval process, allocated in full to the evaluation office. All contributors of extra-budgetary funds will respect the Council decision that at least 1% of all extra-budgetary funds should be allocated for evaluation.	01.01.2010	31.12.2013	On Track	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.79	Evaluation staffing: a) Recruitment of Evaluation Director at D2 level. A panel consisting of representatives of the Director-General and Governing Bodies, as well as evaluation specialists from other UN agencies will review the terms of reference and statement of qualifications for the post, and then participate in a panel to screen and select an appropriate candidate. The Director of evaluation will serve for a fixed term of four years with the possibility of renewal for a maximum of one further term, with no possibility for reappointment within FAO to another post or consultancy for at least one year;			Completed	Completed in 2009
2.80	b) All appointments for evaluation of staff and consultants will follow transparent and professional procedures with the first criteria being technical competence but also with attention to considerations of regional and gender balance. The Director of Evaluation will have the main responsibility for the appointment of evaluation staff and the responsibility for appointment of consultants in conformity with FAO procedures.			Completed	Completed in 2009
2.81	Quality assurance and continued strengthening of the evaluation function: a) Strengthening of existing independent peer review of major reports			Completed	Completed in 2009
2.82	b) Biennial review by a small group of independent peers for conformity of work to evaluation best-practice and standards – report to management and the Council together with the recommendations of the Programme Committee			Completed	Completed in 2009
2.83	a) Independent Evaluation of the evaluation function every six years – report to management and the Council together with the recommendations of the Programme Committee	01.01.2016	01.01.2016	On Track	Action scheduled to complete post 2013

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
2.84	Approval by the Council of a comprehensive evaluation policy incorporated in a "Charter", including the above, and a) the FAO internal evaluation committee will interact with the Programme Committee as appropriate;	01.10.2008	31.05.2010	Completed	Completed in 2010
2.85	b) the rolling evaluation plan will continue to be approved by the Governing Bodies, following consultation with the internal evaluation committee;	01.10.2008	31.05.2010	Completed	Completed in 2010
2.86	c) the follow-up processes for evaluation will be fully institutionalised, including an independent monitoring system and reporting to the Programme Committee;	01.10.2008	31.05.2010	Completed	Completed in 2010
2.87	d) all evaluation reports, management responses and follow-up reports will continue to be public documents, fully available to all FAO Members. Efforts to discuss and bring the reports to the attention of all concerned Governing Body members will also be further strengthened through consultative groups and workshops on individual evaluations;	01.10.2008	31.05.2010	Completed	Completed in 2010
2.88	e) the evaluation office will have an institutionalised advisory role to management on results based management and programming and budgeting, reinforcing the feed-back and learning loop;	01.10.2008	31.05.2010	Completed	Completed in 2010
2.89	f) evaluation will be well coordinated within the UN system, taking account of the work of the Joint Inspection Unit (JIU) and the evaluation office will continue to work closely with the United Nations Evaluation Group (UNEG).			Completed	Completed in 2009
2.90	a) The provisions for evaluation as approved in the Charter reflected in the Basic Texts	01.10.2008	31.05.2010	Completed	Completed in 2010
	<b>4. Ethics - Maria Abreu</b>				
	Ethics				
3.33	Appointment of an Ethics Officer, functioning of the office, and training of staff	01.01.2010	<del>31.12.2013</del> 31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.34	Review of Terms of Reference and proposed membership of Ethics Committee by the CCLM and the Finance Committee	19.02.2009	31.10.2010	Completed	Completed in 2011
3.35	Appointment and initiation of work by Ethics Committee	01.01.2011	31.12.2011	Completed	Completed in 2011
3.36	Review of annual or biennial report of Ethics Committee by the Council on the basis of the findings and recommendations of the CCLM and Finance Committee	01.01.2011	<del>31.12.2011</del> 30.03.2013	Major Delays	
3.36a	Appointment of Ombudsman	01.01.2011	<del>31.12.2011</del> 30.06.2012	Minor Delays	
	<b>5. Reform of Programming, budgeting and Results Based Monitoring – Beth Crawford</b>				
	FAO Strategic Objectives and the New Results-Based Framework				
1.1	Decide the application of the new Results-Based Framework			Completed	Completed in 2009
1.2	Decide the Vision and Global Goals of FAO			Completed	Completed in 2009
1.3	Decide in principle the Strategic Objectives, Functional Objectives and Core Functions			Completed	Completed in 2009
1.4	Adopt in principle the format for presentation of Strategic Objectives and Organizational Results			Completed	Completed in 2009
1.5	Develop Impact Focus Areas with the purposes summarised and with a basis for further development provided by the indicative listing			Completed	Completed in 2009
1.6	Develop the results-based monitoring system	01.04.2009	31.12.2011	Completed	Completed in 2011
1.7	Develop and adopt the complete Strategic Framework, Medium Term Plan and			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
	Programme of Work and Budget applying the new model				
1.8	First report on organizational performance based on new results-based system for 2010-11 biennium	01.12.2011	30.6.2012	On Track	
3.88	Introduce benchmarks and a performance-based reporting and monitoring system for decentralized offices	01.01.2010	31.12.2013	On Track	
	Reform of Programming, Budgeting and Results Based Monitoring				
3.1	Introduction of revised Programme and Budget Documentation consisting of the following sections, which may be presented as a single document to avoid repetition and provide a complete picture (first full approval 2009 for 2010-2011 biennium):			Completed	Completed in 2009
3.2	i) Strategic Framework with a 10-15 year time horizon reviewed every four years and including: <ul style="list-style-type: none"> <li>· Analysis of the challenges facing food, agriculture and rural development and the dependent peoples, including consumers,</li> <li>· Strategic Vision,</li> <li>· The Goals of Member Nations, and</li> </ul> Strategic Objectives for achievement with support from FAO by Member Countries and the international community, including indicative targets and indicators of achievement (some 8-12);			Completed	Completed in 2009



	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.3	<p>ii) Medium Term Plan with a four year time horizon and reviewed each biennium, including:</p> <ul style="list-style-type: none"> <li>· Strategic Objectives for achievement with support from FAO by Member Countries and the international community, as per the Strategic Framework,</li> <li>· Organizational Results framework (outcomes) – a maximum of some 80 inclusive of the core functions, contributing to the achievement of Strategic Objectives by Member Countries and the international community. Each Organizational Result will have specified achievement targets and indicators for verification, show FAO's contribution and indicate the budget from assessed contributions and estimated extra-budgetary resources (targets may be conditioned upon level of extra-budgetary resources) Gender will be fully integrated into the Strategic Framework and Medium Term Plan and will no longer have a separate Plan of Action,</li> <li>· Impact Focus Areas which combine results, which focus resources as a communication tool, serving to mobilise and improve oversight of extra-budgetary resources in key impact areas,</li> <li>· Core Functions of FAO, and</li> </ul> <p>iii) Functional Objectives which ensure organizational processes and administration work towards improvements in a Results Based Framework;</p>			Completed	Completed in 2009
3.4	<p>i) Programme of Work and Budget, each covering a single biennium, with the budget divided between an administrative budget and a programme budget presented in a results based framework and providing:</p> <ul style="list-style-type: none"> <li>· Organizational Results framework (outcomes) as per the Medium Term Plan, including the organizational responsibility for each result;</li> <li>· Quantification of costs for all Organizational Results and all obligations</li> <li>· Calculation of cost increase and planned efficiency savings,</li> <li>· Provision for long-term liabilities, under-funded obligations and reserve funds</li> <li>· Draft Programme and Budget resolution.</li> </ul>			Completed	Completed in 2009
3.5	<p>ii) The summary Programme of Work and Budget will be eliminated in view of the ongoing interaction of the Governing Bodies in the Programme development process.</p>			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.6	Introduction of a Revised Implementation Performance Results Based Management monitoring system and report: Each report will cover the previous biennium and report on delivery, and targets and indicators of results as well as efficiency indicators for the functional objectives. This report will replace the current Programme Implementation Report.	01.04.2009	31.12.2011	Completed	Completed in 2011
7.1	Identify the areas of improvement and define the actions for the enhancement of the Results-Based Management (RBM)	N/A	<del>N/A</del> 31.12.2013	On Track	
3.7	Introduction of revised cycle of preparation and Governing Body decision making (see Chart 1 below for sequencing). The date of the FAO Conference will move to June, starting from 2011, with a corresponding shift in the dates of all other meetings (the Council will meet in September 2009 in order to prepare the Conference – in line with the new cycle). The following full cycle will be introduced starting 2010 (for budgetary provision for meetings – see B Governance Reform):	01.04.2009	31.12.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.8	<p>i) Year 1 of the biennium (with at least two meetings of the Council):</p> <ul style="list-style-type: none"> <li>· the Technical Committees will review and make recommendations, with respect to their areas of mandate, on: FAO performance in contributing to results against performance indicators, including any pertinent evaluations, and</li> <li>· priorities and results planned under the Medium Term Plan, including in areas of global governance, and suggest adjustments for the next biennium;</li> <li>· The Regional Conferences will with respect to their Regions, review and make recommendations on: <ul style="list-style-type: none"> <li>· FAO performance in contributing to results against performance indicators, including any pertinent evaluations;</li> <li>· priorities and results planned under the Medium Term Plan, and suggest adjustments for the next biennium; and</li> <li>· policy issues for the region to be considered at global level or through additional action at regional level.</li> </ul> </li> <li>· The Council and the Programme and Finance Committees with respect to their areas of mandate, will review and make decisions on: <ul style="list-style-type: none"> <li>· the performance implementation report for the previous biennium, including performance against indicators;</li> <li>· major evaluations;</li> <li>· budgetary and implementation performance in the second half of the year;</li> <li>· any necessary adjustments in the agreed Programme of Work and Budget;</li> <li>· approve in advance requested reallocations between Chapters.</li> </ul> </li> </ul>	01.01.2010	31.12.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.9	<p>ii) Year 2 of the biennium (with at least two and probably three main meetings of the Council):</p> <ul style="list-style-type: none"> <li>· Throughout the year the Programme and Finance Committees and the Council will review and make decisions on any necessary adjustments in the agreed Programme of Work and Budget and approve in advance any requested reallocations between Chapters;</li> <li>· January - March: the Programme and Finance Committees and the Council will review the proposed Medium Term Plan and Programme of Work and Budget and in every second biennium, the Strategic Framework;</li> <li>· January –March: - not as part of the Governing Body cycle of meetings - an informal meeting will be held of interested members and other potential sources of extra-budgetary funds and partnership, to exchange information on extra-budgetary funding requirements, especially in relation to Impact Focus Areas;</li> <li>· March/April: The Council will make explicit recommendations to the Conference for the Results Framework and budgetary aspects, including the budget level;</li> <li>· June: The Conference will approve the Results Framework and budgetary aspects including the budget level; and</li> <li>· September – November: the Programme and Finance Committees and the Council will if necessary consider and approve any changes in the Results Framework and budgetary allocations following the Conference decision on the budget level.</li> </ul>	01.01.2011	31.12.2011	Completed	Completed in 2011
3.10	Introduce necessary Basic Text changes for Programme and Budget cycle including the timing of Governing Body sessions			Completed	Completed in 2009
3.11	In addition to capital account and TCP, introduce provisions for roll-over of up to five percent of the assessed budget, between biennia, in order to smooth income and expenditure, thus reducing wasteful and inefficient transactions.	01.10.2008	31.12.2013	On Track	
	Design new Planning and Budgeting Model				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
7.2	Design the new Planning and Budgeting Model, define the new structure of PWB, outline the new standard streamlined logical framework for "Projects" budgets and the requirements for the standardized new reporting system.	23.11.2009	31.12.2013	On Track	
	Interdisciplinarity				
6.2	5% budget to DDGs for interdisciplinary work	N/A	<del>N/A</del> 31.12.2013	On Track	
	<b>6. Publishing in all Languages - Steve Dembner</b>				
	Publishing in all Languages of the Organization				
3.55	A budget will be set aside for technical publishing (paper and web) in each FAO language. A panel of users of technical documentation in each language will decide on the application of funds for translation (this is in addition to the existing budget for main meeting documentation)	01.01.2010	31.12.2011	Completed	Completed in 2011
3.56	Increased hard copies of technical documentation will be made available to Least Developed Countries with decisions on priorities for documents taken by the same panels	01.01.2010	31.12.2011	Completed	Completed in 2011
3.57	Separate mirror websites to the FAO website will be developed for Arabic and Chinese	01.01.2010	31.12.2011	Completed	Completed in 2011
	<b>7. Resource Mobilization and Management - Richard China</b>				
	Resource Mobilization and Management Strategy				
3.12	To supplement Assessed Contributions, projected extra-budgetary resources will be integrated within the programming and budgeting process, including the definition of Impact Focus Areas, while recognising that extra-budgetary funding is not fully predictable (see also paragraphs 8 and 33), and:	01.01.2010	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement Costs in IPA Programme 2012-13

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.13	a) review by the Council of the plans for, the application and results of extra-budgetary resources in an integrated framework on the basis of the findings and recommendations of the Programme and Finance Committees, ensuring that resources are mobilized to support the agreed priorities of the Organization;			Completed	Completed in 2009
3.14	b) put in place a management structure for extra-budgetary resources and assessed contributions which places overall strategy, policy, management and coordination of resource mobilization, including donor relations on policy, in a central Office of Strategy, Planning and Resources Management with decentralized responsibilities at all levels within the coordinated framework for resource mobilization, in particular at regional and country levels including a small unit in the Department of the Organization dealing with Technical Cooperation which will support the decentralized offices and operations units in their liaison with donors;	01.01.2010	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement Costs in IPA Programme 2012-13
3.15	c) vigorously pursue new partnerships, including with the private foundations;	01.01.2010	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
3.16	d) keep under continuous review both efficiency measures and the cost of support services to extra-budgetarily funded work to ensure that there is no cross-subsidisation between the sources of funds.			Completed	Completed in 2009
3.17	Review treaties conventions, agreements and similar bodies and instruments established under articles VI, XIV and XV of the FAO constitution with a view to their developing a greater degree of self-funding from their members (see also 2.69). Present report to Council and reports to the parties to the agreements.	01.01.2010	31.12.2011	Completed	Completed in 2011
3.18	Introduce measures to encourage timely payment and the avoidance of arrears and management of resource availability, taking account of the Recommendations of the Finance Committee, including:			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.19	a) annual review by the Council on the basis of a report from the Finance Committee of the situation of late payments and arrears and its implications for the Organization's liquidity;			Completed	Completed in 2009
3.20	b) prominent reporting on the main FAO public website of the situations of timely payments and delayed payments and arrears by country;			Completed	Completed in 2009
3.21	c) continuation of the present responsible borrowing policy to smooth cash flow			Completed	Completed in 2009
	<b>8. Technical Cooperation Programme - Richard China</b>				
	Technical Cooperation Programme				
3.22	TCP resources to be allocated to regions under the authority of Regional Representatives, except for 15% retained under the authority of the Department responsible for Technical Cooperation for use in emergencies and 3% for inter-regional projects.	01.01.10	31.12.2011	Completed	Completed in 2011
3.23	Indicative allocations to regions agreed as follows with review by the Council every four years in line with the Medium Term Planning cycle: Africa 40%; Asia and Pacific 24%; Latin America and Caribbean 18%; Europe 10%; Near East 8%. Developed countries are eligible for TCP but only on a full refund basis			Completed	Completed in 2009
3.24	TCP project cycle and TCP approval guidelines to be reviewed in 2009, reaffirming priority to Least Developed Countries; Low-Income Food-Deficit Countries; Small Island and Land-Locked Developing States, further clarifying existing Council approved guidelines and specifying:			Completed	Completed in 2009
3.25	a) approval criteria including convergence of countries' needs and the Organization's agreed Strategic Objectives and Organizational Results;			Completed	Completed in 2009
3.26	b) specify minimum information required from countries for consideration of request;			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.27	c) clarify the project cycle – specifying the steps and responsibilities for clearances at each stage of the process, simplifying the number of steps, and with delegations to decentralized offices at the lowest level possible;			Completed	Completed in 2009
3.28	d) clearly specify timelines for each stage of the process so that managers can be held accountable;			Completed	Completed in 2009
3.29	There will not be universal criteria for the proportion of TCP funding to go to Regional and sub-regional projects, as this varies from region to region.			Completed	Completed in 2009
	<b>9. Decentralization - Daud Khan</b>				
	Decentralization				
3.76	The Programme and Finance Committees will support the Council in providing policy oversight of all aspects of the Decentralization including in particular the implementation of the Immediate Plan of Action	30.09.2009	31.12.2013	On Track	
3.77	Organize Senior Management Meetings so that ADG/Regional Representatives can be present via video link			Completed	Completed in 2009
3.78	Transfer the primary reporting line for decentralised technical officers in the regional offices to the Regional Representatives (ADGs) or, where more appropriate for sub-regional staff, the sub-regional coordinator			Completed	Completed in 2009
3.79	Fully involve ADG/Regional Representatives in programming and budgeting (see also 3.14)			Completed	Completed in 2009
3.80	Transfer Budget and Programme responsibility of technical officers in the regional offices to the Regional Representatives (ADGs)			Completed	Completed in 2009



	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.81	Transfer primary responsibility for technical, substantive and technical aspects of supervising FAORs to the Regional Representatives (ADGs) with, where appropriate, the reporting line to the ADG through the sub-regional coordinator. A unit in the office responsible for operations will handle overall coordination, liaison between regions, etc.	01.01.2009	31.03.2010	Completed	Completed in 2010
3.82	Revise all delegated authorities to decentralized offices and control procedures (see also above)	31.10.2009	31.12.2013	Completed	Completed in 2010
3.83	Discontinue administrative responsibilities with sub-regional offices to allow them to function fully as technical support units to countries of the sub-region			Completed	Completed in 2009
3.84	Clearly distinguishing between well established offices and any plans for additional new offices, rationalise coverage of country offices following results of review utilising agreed criteria, taking into account both existing and potential locations, efficiency, projected cost savings and cost/benefit analysis. Implementation of the results of the review will ensure that at a minimum the structural deficit is eliminated in the Country representation (FAORs) through alternative forms of country presence, with further reductions desirable to free up resources for the improved functioning of the decentralized offices. Criteria to be applied: a) size of the FAO Programme (indicative ratio office costs to size of programme 1:3); b) commitment to the National Medium-Term Priority Frameworks as they are developed with FAO; c) size and poverty levels of agriculturally dependent population; d) priority to Least Developed Countries; e) potential for agriculture in economic growth; f) ease of servicing from another country; g) potential for shared or fully joint representations with the UN system, particularly with the other Rome-based agencies, and other regional organizations as appropriate; and h) willingness of governments to cover costs of FAO presence.	01.01.2009	<del>31.12.2010</del> 31/12/2013	Major Delays	No consensus between member states

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.85	Adjust composition of sub-regional and regional office staffing in line with priority needs, reviewed in light of the UN system offices			Completed	Completed in 2009
3.86	Clarify coverage of Near East Regional Office	16.04.2009	31.03.2010	Completed	Completed in 2010 Ongoing process of continuous improvement
3.95	c) transfer OCD functions to Regional/sub-regional Offices and to a coordination unit in the office responsible for operations;	01.01.2009	31.12.2013	Completed	Completed in 2010
	<b>10. Headquarters Structure - Tony Alonzi</b>				
	Headquarters Structure				
3.91	a) establish offices of: i) Strategy, Planning and Resource Management;			Completed	Completed in 2009
3.92	ii) Evaluation			Completed	Completed in 2009
3.93	iii) Legal and Ethics			Completed	Completed in 2009
3.94	b) examine the most appropriate organizational functions and structure for corporate communications, partnership and interagency affairs;			Completed	Completed in 2009
3.96	d) delayering of D level posts (27 to be abolished for 2010-11 biennium)			Completed	Completed in 2009
3.97	Approve in principle the apex of the Structure of Headquarters Departments and the Senior Executive Management (see Box 5 below) for introduction in 2010, subject to any adjustments indicated by the functional analysis below			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.98	Complete functional analysis of the work of the Headquarters Departments and finalise plans for their reorganization and detailed mandates <ul style="list-style-type: none"> <li>· Technical Departments in light of Medium Term Plan</li> <li>· Operational functions in light of Medium Term Plan and the Root and Branch Review</li> <li>· Support Services, Administration and Human Resources in light of Root and Branch Review</li> </ul>			Completed	Completed in 2009
3.99	Conference approval of the revised Headquarters structure in the Programme of Work and Budget 2010-11			Completed	Completed in 2009
3.100	Appoint Senior Executive Management Team including two DDGs			Completed	Completed in 2009
3.101	Implement new Headquarters structure	1.10.2009	21.12.2010	Completed	Completed in 2010
3.102	Reorganize senior management responsibilities, including for strategic objectives and core functions	01.07.2009	31.03.2010	Completed	Completed in 2010
3.103	Review reorganization with a view to further improvements	01.07.2010	<del>01.07.2014</del> 30.11.2012	Major Delays	
	Role of ODG				
7.3	Re-define the role of the ODG with regard to administrative activities. Not performed because the management invited to focus on Corporate Services, but remains in scope and it is highly recommended to the management.	1.1.2009	31.12.2011	Completed	Completed in 2011
	<b>11. Internal Governance - Louis Gagnon</b>				
	Internal Committees				
7.5	Review the roles of internal committees and reduce their number. Accomplished as part of the activities of the work-streams. Stage 2 reinforces this recommendation.	1.1.2010	31.12.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
	<b>12. Partnerships - Mariam Ahmed</b>				
	Partnerships				
3.104	Finalise and disseminate guiding corporate principles on partnerships as a living document, including that partnerships are:	01.09.2009	31.12.2011	Completed	Completed in 2011
3.105	a) not an end in themselves but a means for greater effectiveness in supporting international governance of agriculture and agricultural development, pursuing the objectives and priorities of the Strategic Framework of the Organization. The desirability of a partnership thus depends on the mutual value-added and benefits in achieving shared objectives expressed in terms of results, and weighed against the costs and impediments to its effectiveness for the partners;	01.09.2009	31.12.2011	Completed	Completed in 2011
3.106	b) based on the comparative advantages of the partners and aim at specific goals of FAO shared by the partners; and	01.09.2009	31.12.2011	Completed	Completed in 2011
3.107	c) generally built-up from ongoing collaboration.	01.09.2009	31.12.2011	Completed	Completed in 2011
3.108	The nature of FAO's role will vary according to the different partnerships it engages in and the Organization may take a leadership role or act as facilitator in some, and be a participant in others. FAO must at all times preserve its neutral and impartial role and act in a transparent manner, avoiding partnerships where significant conflict of interest is of concern	01.09.2009	31.12.2011	Completed	Completed in 2011

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.109	<p>OLD - Stocktaking of partnerships including the potential for greater partnership with the private sector. Undertake assessment and launch new or renewed partnerships pursuing the possibilities for further joint activities and collaborative arrangements with:</p> <ul style="list-style-type: none"> <li>· the private sector</li> <li>· civil society organizations</li> </ul> <p>NEW - Mainstream, operationalization and implementation of renewed strategy for partnerships with civil society and the FAO strategy for partnerships with the private sector, including capacity building targeted to all FAO staff. Undertake assessment and stocktaking of partnerships, including the potential for greater partnership with civil society and the private sector. Launch new or renewed partnerships pursuing the possibilities for further joint activities and collaborative arrangements with the private sector and civil society organizations.</p>	01.01.2010	31.12.2013	On track	
3.110	<p>OLD - Preparation of a short-term agenda of initiatives (12 months) that will generate outcomes and outputs and preparation of a medium-term action plan in line with the Medium Term Plan (4 years), including development and implementation of a training programme. Operationalization and implementation of corporate partnership strategies and further strengthening partnership with the Rome-based UN agencies.</p> <p>NEW - Operationalization and implementation of corporate partnership strategies in line with FAO's Strategic Framework. Further strengthening collaboration within the UN system, including among the Rome-based UN agencies. Development and implementation of training activities for all corporate partnerships. Preparation and dissemination of communication materials.</p>	01.01.2010	31.12.2013	On track	
3.111	<p>Further pursue partnership with the Rome based UN agencies for synergies leading to both efficiency gains and increased effectiveness, making full use of the comparative strengths of the three Organizations within their respective mandates, particularly with respect to:</p>	01.01.2010	31.12.2013	On track	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.112	a) areas of technical programme interface and overlap both in normative and development work;	01.01.2010	31.12.2013	On track	
3.113	b) shared administration and services (taking note of the findings of the Root and Branch Review);	01.01.2010	31.12.2013	On track	
3.114	c) joint oversight functions, including evaluation.	01.01.2010	31.12.2013	On track	
3.115	Regular joint meetings of the management of the three organizations will take place with the membership to review progress	01.01.2010	31.12.2013	On track	
3.116	Progress and proposals to be reviewed annually by the Council on the basis of recommendations of findings of the Programme and Finance Committees	01.01.2010	31.12.2013	On track	
3.117	Establishment of a monitoring mechanism to ensure feedback and iterative improvement of partnership collaborations and of the FAO strategy	01.09.2010	31.12.2013	On track	
3.118	Establishment of focal point responsibilities for partnerships			Completed	Completed in 2009
Joint Work with IAEA					
6.4	Joint FAO/IAEA Division	N/A	N/A	Completed	Completed in 2010
6.5	Synergy and partnerships	N/A	N/A	Completed	Completed in 2010
<b>13. Procurement- Theresa Panuccio</b>					
Procurement					

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.38	Delegation of authority for procurement, authority for Letters of Agreement to divisional level and in the decentralised offices;	01.01.2010	31.12.2011	Completed	Completed in 2011
3.40	Local procurement for emergencies;	01.01.2010	01.06.2011	Completed	Completed in 2010
3.41	Opening of temporary operational cash accounts in the field;			Completed	Completed in 2009
7.6	New procurement model for managing the initial phases of purchasing actions	01.01.2010	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
7.7	Develop the registered vendors management towards an active suppliers management (partnership principles)	01.06.2009	01.06.2011	Completed	Completed in 2011
7.8	Empowerment of regional and local officers in managing local procurement	01.03.2010	31.12.2012	On track	
7.9	Transfer of transactional activities to the SSC	01.09.2009	02.02.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
	Rome-based agencies - Joint procurement initiative				
7.14	Operational model for the implementation of partnerships in procurement actions with other UN agencies	01.09.2009	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
	<b>14. Travel - Preethi Braganza</b>				
7.15	Other activities of the Joint procurement initiative – Travel <b>NEW TITLE: Other Rome-based agency joint initiatives - Travel</b>	01.01.2010	31.12.2013	On track	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
7.21	Review of the travel approval process			Completed	Completed in 2009
	<b>15. Translation and Printing - Sergio Ferraro</b>				
	Printing and Publishing in all Languages of the Organization				
3.58	Following the findings of the Root and Branch Review, improvements will be introduced to ensure quality and timely translation if possible at reduced costs	01.01.2010	31.12.2010	Completed	Completed in 2010
7.17	Proposal for a new Printing & Distribution department, including External Printing , Internal Printing and Distribution. Change of the printing and distribution procedure	01.01.2010	30.06.2011	Completed	Completed in 2011 Ongoing process of continuous improvement Costs in IPA Programme 2012-13
7.18	Change Translation Service Model. Enhance Terminology & Roster Management.	01.03.2010	30.11.2010	Completed	Completed in 2010
7.19	Change Translation Service Model. Translation service to be funded by Regular Programme	01.03.2010	30.11.2010	Completed	Completed in 2010
7.20	Review the Translation Service Model.	01.03.2010	30.11.2010	Completed	Completed in 2010
	Registry				
	<b>16. Registry Reform - Theresa Panuccio</b>				
7.16	Define a plan for the registry management, considering the shift to electronic and the outsourcing of resources	01.10.2009	31.12.2012	On Track	
	<b>17. Administrative Service Model and FAO Manual - Andrea Crosby</b>				
	Administrative Service Model				



	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
7.10	Align the objectives of the support functions with the strategic objectives of the organization, defining key efficiency targets and service level agreements - SLAs (commitment model). Converted into one of the Value Drivers to promote the reform	15.09.2010	31.12.2012	On track	
7.23	Create a Business Improvement Unit, including streamlining and process improvement, overhaul of the FAO Manual (see above), and other business improvement initiatives.	01.01.2010	31.12.2011	Completed	Completed in 2010 Process of continuous improvement
	FAO Manual				
3.43	Revise Basic Texts to stipulate that in line with the agreed principle of delegations of authority to the lowest appropriate levels, the Director-General may delegate final authority and responsibility in specific areas of work and action to designated officers and such delegations will be reflected in the FAO manual and published job descriptions.			Completed	Completed in 2009
7.22	Carry out a major overhaul of the FAO Manual, reviewing and publishing a simplified framework, so that staff in all locations can understand-and comply with FAO rules and regulations.	01.01.2010	31.12.2013	On track	
	Followup to the Root and Branch Review				
3.44	Conduct of Root and Branch Review			Completed	Completed in 2009
3.45	Review by management, the Council and the Finance Committee of the Final Report			Completed	Completed in 2009
3.46	Development of follow-up action plan			Completed	Completed in 2009
3.47	Review by Governing Bodies of the Follow-up Action Plan			Completed	Completed in 2009
3.48	Implementation of Action Plan			Proposed for deletion	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
	<b>18. IPSAS (and FAS Replacement) – Livia Furlani</b>				
	IPSAS				
3.42	Development and deployment of a field version of oracle adapted to FAORs' needs. Note: some early actions will be completed by the time of the Special Session of the Conference; other major items which will incur costs beyond the Conference are reflected below (e.g. Root and Branch review and performance management).	1.1.2007	31.12.2013	On Track	
7.24	Implementation of IPSAS as key initiative for the finance division and FAO as a whole	1.5.2009	31.12.2013	On Track	
	<b>19. Improve Telecoms Connectivity to DOs - Yasuko Hanaoka</b>				
3.90	Upgrade of ICT infrastructure and Information Systems Functional Support for Decentralized Offices	1.7.2009	<del>31.12.2013</del> 31.12.2011	Completed	Completed in 2011  Ongoing process of continuous improvement  Costs in IPA Programme 2012-13
	<b>20. Oracle R12 - Livia Furlani</b>				
7.25	Enhance Oracle ERP related functionalities to meet IPA requirements	01.10.2010	<del>31.12.2012</del> <del>31.03.2013</del> 30.11.2012	On Track	
	<b>21. Other IT Actions - Yasuko Hanaoka</b>				
7.0	Strengthen IT Governance. All functions must abide by formal processes, e.g. project/change request procedures, project management and development processes	1.2.2010	31.12.2013	On Track	

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
7.4	IT responsibilities and functions should be consolidated in one CIO	23.11.2009	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
7.11	Review reduction of multifunctional printers	01.01.2010	31.12.2011	Completed	Completed in 2011  Ongoing process of continuous improvement  Costs in IPA Programme 2012-13
7.12	Increase the range of support services and software development delivered from KCT offshore centre in Bangkok	23.11.2009	31.12.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
7.13	The CIO Division must fund and implement a proper induction and maintenance-training program for the decentralized ITO/ITSO staff, and this must include periodic visits to Headquarters so that the decentralized CIO Division staff build and maintain relationships with colleagues to supplement formal systems for information flow and problem solving.	01.01.2011	<del>31.12.2012</del> 31.12.2011	Completed	Completed in 2011  Costs in IPA Programme 2012-13
7.26	Design of the Management Information System	23.11.2009	31.12.2013	On Track	
	Enterprise Risk Management Framework				
	<b>22. Enterprise risk management - Anthony Barrow</b>				
3.49	Agreement by Finance Committee on Terms of Reference for a comprehensive enterprise risk management study addressing all forms of risk, including but not limited to financial risk			Completed	Completed in 2009
3.50	Develop a project structure to implement an internally led organization-wide Enterprise Risk Management (ERM) e.g. organize a project team and its TOR, obtain necessary training and external guidance as needed, prepare a work plan, etc.	01.04.2010	30.09.2010	Completed	Completed in 2010

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.51	Design an appropriate ERM model to develop a customized ERM framework for the organization, with the support of external risk management consultants. The ERM framework should include key components that address the objectives, strategy, organization, risk processes, monitoring and reporting.	01.04.2010	31.12.2010	Completed	Completed in 2011
3.52	Initiate a pilot to test the ERM framework before a large-scale implementation.	01.07.2010	30.06.2011	Completed	Completed in 2011
3.53	Based on the results of the pilot, develop a comprehensive plan to fully implement ERM across the Organization.	01.01.2011	30.09.2011	Completed	Completed in 2011 Ongoing process of continuous improvement
3.54	Full Implementation of Enterprise Risk Management Structure and systems	01.07.2011	31.12.2013	On Track	
	<b>23. Culture Change - Hafez Ghanem</b>				
	Institutional Culture Change				
3.30	Develop terms of reference, and appoint, an External Facilitator and change team			Completed	Completed in 2009
3.31	Development of Internal vision			Completed	Completed in 2009
3.32	Implementation of the vision	23.11.2009	31.12.2013	On Track	
	<b>24. PEMS - Serge Nakouzi</b>				
3.70	Introduce an objective staff appraisal system linking staff performance to organizational objectives based on realistic performance targets and objective assessment criteria	23.11.2009	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
	<b>25. Competency Framework - Serge Nakouzi</b>				
	Competency Framework				

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.66	OLD - Revise competency profiles for Regional Representatives, sub-regional coordinators and FAORs, including competencies in management and policy support NEW - Revise competency profiles for all job families including Regional Representatives, sub-regional coordinators and FAORs, including competencies in management and policy support	01.05.2010	<del>30.09.2011</del> <del>31.03.2012</del> 31.12.2012	Major Delays	
3.87	Redefine job descriptions, profile of competencies (including policy competence), recruitment and performance appraisal procedures (open competitive) for Regional ADGs, Sub-Regional Coordinators and FAORs (see also 3.66)	01.07.2009	<del>30.09.2011</del> <del>31.03.2012</del> 31.12.2012	Major Delays	
	HR Role				
7.27	Define a new role for the HR Function and review the HR competency framework and accountability framework	01.01.2010	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
	<b>26. Mobility - Tony Alonzi</b>				
3.61	Establish an incentive based rotation policy in HQ and between HQ and the decentralized offices with clear criteria	23.11.2009	<del>31.12.2010</del> <del>31.12.2011</del> 30.06.2012	Major Delays	
	<b>27. Other Human Resources Actions - Tony Alonzi</b>				
3.37	Delegations of authority from the Office of the Director-General for human resource actions;	01.01.2009	31.12.2010	Completed	Completed in 2010
3.59	Maintaining the primary criteria of staff and consultant selection on the basis of merit, implement an effective policy for geographical and gender representation, particularly regarding developing countries	01.04.2010	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.60	Introduce a package for increasing staff training, including in management	23.11.2009	31.12.2011	Completed	Completed in 2011 Recurring costs in IPA Programme 2012-13
3.62	Establish a joined-up and consistent system for the recruitment and development of young professionals, particularly from developing countries. This will include the intern programme	23.11.2009	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
3.63	Decentralise and delegate decision making within clear policies and requirements, including further delegation of authorities from the Office of the Director-General and from senior management	01.01.2010	31.12.2010	Completed	Completed in 2010
3.64	Wider publication of FAO vacancies	01.01.2010	31.12.2011	Completed	Completed in 2011 Costs in IPA Programme 2012-13
3.65	Develop, publish and implement procedures for full transparency in the selection and recruitment of all senior staff and FAORs	01.01.2010	30.04.2010	Completed	Completed in 2010
3.67	Introduce transparency and competitive policies for recruitment of consultants with measures to ensure attention to geographical and gender balance			Completed	Completed in 2009
3.68	Rationalise the use of FAO retirees who will not be rehired for at least six months after their retirement from FAO			Completed	Completed in 2009
3.69	Consultants, including FAO retirees, will not be used for long-term gap filling in vacant posts as a cost saving measure			Completed	Completed in 2009
3.73	Establish a staff redeployment fund initially funded from extra-budgetary resources and subsequently funded from a proportion of staff costs			Completed	Completed in 2009
3.74	Enhance governance oversight of all aspects of human resource policies through the Finance Committee, including the use of consultants			Completed	Completed in 2009

	Integrated IPA Action items	Planned Start Date	Planned End Date	Status of Progress	Qualifier
3.71	Introduce dual grading for P5/D1 and D1/D2 posts	23.11.2009	31.12.2010	Proposed for deletion	
3.72	Upgrade the Oracle systems to i) improve ease of data extraction and analysis and ii) to support substantive staff management, rather than purely transaction processing	23.11.2009	30.04.2011	Completed	Completed in 2011
3.75	Governing Body action and action by management to secure changes at the UN Common System level a) develop proposals for Common System change b) present changes to UN	01.01.2010	31.12.2013	On track	
3.89	Strengthen staff training (see also 3.60)	01.06.2009	31.12.2011	Completed	Completed in 2011
	<b>28. IPA Programme Management Unit - David Benfield</b>				
	FAO Managerial Arrangements for IEE				
4.7	Establish internal managerial arrangements including:			Completed	Completed in 2009
4.8	i) a reform support group;			Completed	Completed in 2009
4.9	ii) specialist working groups, including for the Root and Branch Review and the Change Team drawn from all parts and levels of the Organization (decentralised and centralised)	01.01.2010	<del>31.12.2014</del> 31.12.2013	On Track	
7.28	Selection and prioritization of on-going initiatives			Completed	Completed in 2009
	<b>29. IPA Communications - Lorraine Williams</b>				
	IPA Communications				
4.9a	IPA employee communications	01.01.2011	31.12.2013	On Track	
4.9b	IPA member communications	01.01.2011	31.12.2013	On Track	





## **director-general's bulletin**

DATE: 19 January 2012

No. 2012/08

### **IPA DIRECTION AND INTERNAL GOVERNANCE ARRANGEMENTS**

As indicated in my address to members and staff, I am fully committed to accelerating successful completion of the FAO renewal process. In this respect, I am pleased to announce the appointment of Dr Mohammad Saeid Noori-Naeini as my representative on FAO renewal. Through his experience as Independent Chairperson of the FAO Council at the time of the Independent External Evaluation (IEE) and as Chairperson of the Conference Committee for the Follow-up to the IEE (CoC-IEE), Dr Noori has driven the renewal through from its inception and is uniquely positioned to assist in bringing the renewal process to a successful conclusion.

The focus of IPA implementation needs to move from implementation of IPA actions to realization of benefits. This is what FAO Member Nations expect from the Organization and what I intend to achieve, so that the Organization can go beyond the renewal and transform itself into an Organization that is constantly identifying and implementing better ways of working so that it is better positioned to address the real problems faced by one billion hungry people.

I am therefore launching a Benefits Realization initiative through which the Organization will deliver the benefits expected from the IPA. This initiative will identify the benefits to be achieved, set the timeframe for delivering them and identify the managers accountable for their delivery. I have decided to empower the IPA Programme Management Unit to coordinate, oversee implementation and monitor successful delivery of this initiative.

IPA implementation was originally planned as a three-year programme, but extended in 2009 to a five-year programme. I indicated in my address to staff and Members that FAO cannot go on reforming forever, and I intend to put in place measures to accelerate the pace of IPA implementation in 2012. The IPA Programme Management Unit has my delegated authority for ensuring an acceleration of IPA implementation in 2012.

IPA implementation also needs to become more efficient and less bureaucratic, and I have decided to streamline internal governance and management arrangements. I am pleased to announce that Dr Noori will chair a streamlined IPA Programme Board, which will comprise the Acting Directeur de Cabinet, the Deputy Director-General (Operations), Deputy Director-General (Knowledge) and the Director of the IPA Programme Management Unit. The role of the Deputy Directors-General will be to oversee and coordinate IPA activities and be accountable for delivering results under their respective responsibilities. The IPA Programme Board will meet periodically to provide overall policy and strategic guidance and direction over the acceleration of IPA implementation, its successful conclusion and the delivery of the Benefits Realization initiative.

This Director-General's Bulletin supersedes DGB 2010/42, issued on 8 November 2010.

**José Graziano da Silva**



**Annex 3**

**Assessment of the IPA Programme-  
A Way Forward**

**Final Report**

**MANNET**

**Piers Campbell  
John Hailey  
Veronica Hope Hailey  
Judith Hushagen**

**16 January 2012**



## Executive summary

### INTRODUCTION

This report, commissioned by the Office of the Inspector-General (OIG), assesses FAO's reform process since 2007. It also presents recommendations for how the Organization can optimize the benefits from the Immediate Plan of Action (IPA) in moving forward with a continuing organizational strengthening process.

The reform process comprises a broad range of institutional strengthening initiatives designed to build FAO capacity, agreed and funded by the FAO membership. Important foundations have been laid. The Immediate Plan of Action (IPA) is thus far doing its job as an *immediate* plan of action. However, the focus in most, if not all action, has been at the surface level neglecting important elements of organizational development. There is a need to secure the benefits from the organizational transformation and renewal desired by Members.

### OVERVIEW OF THE REFORM PROCESS

In September 2007, the Independent External Evaluation (IEE) produced a comprehensive set of recommendations for renewing the FAO through a "transformational strategy of reform with growth".

To review the IEE recommendations, a special Committee of the Conference (CoC-IEE) was set up to work closely with management to create the IPA. The IPA generated considerable energy among managers and staff, and it gave rise to a large number of actions; some represented massive organizational change, and others were relatively small actions that the responsible managers could carry out comparatively quickly.

By October 2011, it was reported that 143 IPA actions had been completed by the end of 2010; a further 46 IPA actions had been completed by the end of October 2011; and an additional 33 actions were scheduled to be finished by the end of December 2011.

### ASSESSMENT OF THE IPA REFORM PROGRAMME

The assessment is based on seven principles for organizational change and reform in FAO.

#### Vision and purpose

Effective change management is shaped and driven by a compelling vision and clarity of purpose relating to, first, the desired programmatic outcomes and impact and, second, the Organization that Members and management wish to create. A major effort was undertaken by Members during 2008-9 to rethink the Organization's strategic priorities and tackle the strategic choices and dilemmas the FAO was facing. This led to the formulation of a new Strategic Framework for 2010-19. Unfortunately, the Organization did not take full advantage of this opportunity to make fundamental strategic choices. A process of review of the Strategic Framework has recently begun, and this may eventually have a far-reaching impact on programmes and on the organizational design of both Headquarters (HQ) and the field network. In addition, some initial work was carried out to define another element of the vision: the *organization* that Members and management want to create.

#### Change process

The IPA was based on a comprehensive assessment of the FAO environment. While ambitious in scope, it did not take a holistic approach to organizational change. There were too many fragmented projects and actions, and the approach lacked cohesion. Many projects dealt with surface as opposed to deeper, systemic issues. The drive to complete, in a relatively mechanistic way, a large number of actions meant that there was little attempt to assess FAO's readiness for and receptivity to change,

to prioritize and sequence individual IPA actions, or to examine the capacity of the Organization to absorb change.

### **Field network**

A robust field presence is essential to achieving the envisaged transformation of FAO. A number of indicators suggest, however, that there is reason for serious concern about the field network, and the network may represent one of the greatest risks facing FAO. Although several key policy decisions relating to the field presence have been made and are currently being implemented, there are still many issues to resolve. Among them are those related to organizational design, differentiation of roles, resource allocation, management capacity, support capacity, controls and accountability.

### **Institutional foundations**

The IPA has focused on building capacity in the institutional foundations, and much has already been achieved. Most IPA actions have been completed or were scheduled to finish by the end of 2011; four major actions are still being developed: Managing for Results, enterprise risk management, human resources management; and, GRMS (global resource management system)—formerly known as Oracle R12 and IPSAS.

### **Levers of change**

Levers of change typically focus on systemic organizational issues and seek to address the factors that can undermine a change process. The work of the culture change teams has been impressive. They have been pushing forward a number of concepts and initiatives that should have had much greater prominence in the IPA, notably leadership, professional excellence, performance, and accountability for results. Our principal concerns are that culture change was implemented as a separate project, it seems to a large extent to have operated autonomously, and managers were not engaged or pressured to engage as key agents of change.

### **Management of reform**

FAO senior management has made a substantial investment in the IPA process. The IPA has always had some form of dedicated engine and has had access to significant financial resources. However, projects have not been planned with robust outputs and outcomes or with good metrics for performance indicators. The scale of the reporting on the IPA to Members is unique in terms of its volume and frequency. In the past two years, there has been a welcome attention to the benefits of the IPA in the reporting though this has been challenging in view of the planning weaknesses noted above.

### **Members' engagement in the governance of reform**

The IPA was the result of an extraordinary engagement of Members, and they have a strong sense of ownership in the IPA and its processes. Members' keen involvement has however had some unintended consequences. Moving into the space normally occupied by management may have unintentionally undermined the management's leadership of the IPA.

### **Overall assessment of the IPA**

The IPA clearly raised very high expectations among Members, managers and staff. We believe that these expectations were and are unrealistic. There is no way that the IPA, as designed, could bring about the transformation and renewal that Members were seeking when they adopted the IEE recommendations. The IPA actions are important as "catch-up" systems-building, but a number of key elements were missing for the IPA to result in substantial change and transformation.

In saying this, we are not being pessimistic about the prospects for achieving the aspirations inherent in the IEE and IPA. Transformational change is achieved only through sustained, integrated

attention pursued over several biennia. Many organizations start by focusing on systems and processes and then, in a second phase of reform, leverage more fundamental and systemic change in strategic priorities, organizational design and organization culture.

## **OPTIMIZING THE BENEFITS IN MOVING FORWARD**

We believe that the process of change should continue, but with a significant shift of focus. The IPA reform initiative should move from being a comparatively static reform programme to becoming an organizational strengthening *process*—where continuous improvement becomes the natural, normal, way of operating.

### **Vision and purpose**

The recently initiated review of the Strategic Framework may eventually have a far-reaching impact on programmes and on the organizational design of both Headquarters (HQ) and the field network. This should be complemented by work on the internal vision, where the focus should be on organizational design, especially with respect to the roles of HQ/field, the workforce profile, allocation of resources and managerial roles.

### **Design of the organizational strengthening process**

Going forward, the FAO's organizational strengthening process should be designed around three clusters of initiatives: the field network, institutional foundations and levers of change.

### **Strengthening of the field network**

A rapid organizational assessment of the field network and the programme should be carried out, taking into account the results of audits and evaluations. The assessment would identify systemic obstacles that could prevent FAO from building a robust field presence and provide the basis for leveraging change in a very complex set of interacting systems.

### **Institutional foundations**

Four major IPA projects are still being developed. All are prerequisites of being an effective, modern organization, and FAO programmes cannot improve significantly without them. These systems need to be completed; doing so will require continued investments, as well as a relentless focus on designing, managing and implementing them in a fundamentally different way.

FAO should give priority to human resources management (HRM) which needs significant strengthening. Managing for Results is a very important system and its implementation should be shaped by the recent review by OIG to ensure that the results-based approach is integrated into FAO's strategic, planning, budgeting, and monitoring systems. The global resource management system (gRMS) is vital. Enterprise risk management should be integrated into the other systems. An in-depth assessment of the executive management function should also be carried out, and a review of the allocation of staff resources would be highly beneficial.

### **Levers of change**

Six levers of change should drive the organizational strengthening process.

The first, *mobility*, is essential for an organization with a substantial field presence. We understand that a new policy is in the pipeline, but we fear that it will not have any impact unless the Director General (DG) drives it and builds more "teeth" into the implementation. The second is *performance and accountability*, and there is a particular need for determination and capacity to deal with overt cases of non-performance; the new PEMS system by itself will have little impact. Regarding the third lever, *leadership and management*, expectations about managers' roles in leading change and managing their staff need to change radically. This shift in mindset needs to be accompanied by training, tools, support and accountability.

While the ongoing strategic reflection will touch on the fourth lever, *programme innovation*, it needs to be driven more robustly, as it seems to have been lost in the IPA. The fifth lever, *process streamlining*, should focus on the front end, that is, on making the working lives of field offices more effective by eliminating unnecessary bureaucracy. In addition, process improvements represent an important potential source of savings in support functions. The sixth lever, *cross-functional, inter-disciplinary teamwork*, appeared in the IEE and it is one of the three main pillars of the culture change project. Desirable in itself, it becomes essential in the context of current discussions on the Strategic Framework.

### **Management of the change process**

The organizational strengthening process needs the full support and engagement of the DG. All senior managers must act as role models for the rest of staff by clearly showing their commitment to the change process.

The Programme Management Unit should be transformed into an organizational development team. This team should act as the engine for the process and support local change teams in HQ and field offices. The team should be led by a senior manager who has the authority to intervene to help remove obstacles and ensure integration. An overall implementation plan should be developed. Risk assessment and management would be an integral component of the plan. All current and future initiatives in the change process should be subject to rigorous results-based planning, with an emphasis on outputs and outcomes and with verifiable performance measures at both levels.

### **Engagement of Members in the governance of reform**

In order to strengthen trust between Members and senior management and ensure their continued support of the ongoing organizational strengthening process, we recommend that the DG encourage and work with Members to:

- Develop improved systems to help Members take decisions on strategic, programmatic and management priorities;
- Differentiate clearly the roles of Members and the DG with respect to the management of the Organization with a view to enhancing the governance of the Organization and clarifying the responsibilities of the DG in terms of management;
- Improve the quality of the reporting of the organizational strengthening process to Members, focusing on key outcomes and related performance metrics—which will naturally reduce the volume of reporting.

These recommendations imply that much more needs to be done to strengthen the governance of FAO, in the spirit of the IEE recommendations and building on the foundations laid by the IPA actions on governance.

## **CONCLUSION**

The reform process has led to a broad range of initiatives designed to build FAO capacity. Some important foundations have been laid. However, the focus in most if not all cases has been at the surface level, and this alone cannot bring about the organizational transformation and renewal desired by Members.

The IPA has done its job as an *immediate* plan of action, and the actions not yet finished should be completed and mainstreamed as quickly as possible. The longer term organizational strengthening approach must be carefully managed to leverage more fundamental and systemic change. In developing a plan for the transition, it is important to think about sequencing and integrating the different efforts, as well as genuine receptiveness to change.



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The way forward proposed in this report will help FAO achieve transformational change. FAO must build a robust field network, it must continue to strengthen essential institutional foundations, especially in HRM, and it must continue to leverage systemic and cultural change