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JOINT MEETING

**Hundred and Tenth Session of the Programme Committee and
Hundred and Forty-third Session of the Finance Committee**

Rome, 7 May 2012

**Progress on implementation of the Technical Cooperation Programme
(TCP)**

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Executive Summary

- By 31 December 2011, 415 TCP projects for USD 113.1 million had been approved against the 2008-09 net appropriation of USD 103.5 million. The 2008-09 appropriation was fully used before the expiry of the second biennium.
- By 31 January 2012, 386 projects for USD 113.4 million had been approved against the 2010-11 TCP appropriation of USD 106.6 million, representing 106 percent of the appropriation. Expenditures had reached USD 42.1 million.
- In order to improve results monitoring and reporting, a new Ex-Post Assessment tool for TCP projects has been developed, and this tool will be made available for use by decentralized offices as of 1 July 2012.
- The capacity of decentralized offices in the formulation and appraisal stages of the TCP continues to be reinforced, in particular those related to alignment with Country Programme Frameworks, strategic focus and priority, sustainability, catalytic effect, gender mainstreaming and capacity development.

Suggested action by the Joint Meeting

- The Joint Meeting is invited to note the progress on the implementation of the TCP against the 2008-09 and 2010-11 appropriations, as well as the improvements being made in the application of TCP quality assurance and reporting tools and mechanisms.

I. TCP approvals and expenditures against the 2008-09 appropriation

1. By 31 December 2011, 415 TCP projects had been approved against the 2008-09 net appropriation of USD 103.5 million, for USD 113.1 million.
2. Several initiatives were taken to accelerate implementation of projects considering that the average monthly expenditure rate against this appropriation during the first six months of 2011 was USD 1.5 million and that the average monthly expenditure rate for the following six months had to reach USD 2.2 million to entirely disburse the appropriation by the end of 2011.
3. Consequently, the Secretariat contacted all budget holders with significantly underdelivered budgets, reminding them of the importance of completing project activities expeditiously and before the closure of the biennium. Technical units at headquarters and decentralized offices were asked to ensure that claims for technical support services by FAO technical staff were submitted. As a result, the average monthly expenditure rate of the last three months of 2011 increased to USD 3.7 million thereby reducing the underexpenditure of the 2008-09 biennium to USD 0.2 million. In line with existing TCP practice, this underexpenditure of USD 0.2 million has been addressed by transferring one project originally approved against the 2010-11 appropriation against the 2008-09 appropriation. Thus, the 2008-09 appropriation has been fully used by 31 December 2011 (*Table I*).

Table 1: TCP approvals and expenditures on 31 December 2011 against the 2008-09 appropriation of USD 103.5 million

	Approval	Expenditure
	USD (thousands)	USD (thousands)
Development Support	54 676	50 317
Emergency Assistance	7 968	7 345
ISFP (Input supply/technical assistance)	27 971	26 560
TCP Facility	22 482	19 102
Total	113 097	103 324

II. TCP approvals and expenditures against the 2010-11 appropriation

4. By 31 January 2012, 386 projects for USD 113.4 million had been approved against the 2010-11 TCP appropriation, representing 106 percent of the appropriation of USD 106.6 million. As in the past, the over-programming aims to ensure the full expenditure of the appropriation taking into account that the average expenditure rate of TCP projects has historically been around 85-90 percent of their approved budgets.

5. By 31 January 2012, 39.4 percent of the appropriation and 37 percent of the value of approved budgets had been expended (*Table 2*).

Table 2: TCP approvals and expenditures on 31 January 2012 against the 2010-11 appropriation of USD 106.6 million

	Approval	Expenditure
	USD (thousands)	USD (thousands)
Development Support	76 525	21 830
Emergency Assistance	17 346	9 052
TCP Facility	19 577	11 197
Total	113 448	42 079

6. The distribution of TCP approvals by region is shown in *Table 3*, along with the percentage of regional allocation approved by 31 January 2012.

Table 3: Distribution of TCP approvals against the 2010-11 regional, inter-regional and emergency assistance allocations on 31 January 2012

	Approvals	Allocation	Percent of allocation approved
USD (thousands)			
Africa	38 460	35 027	110
Asia and Pacific	22 890	21 016	109
Latin America and the Caribbean	17 236	15 763	109
Europe and Central Asia	8 474	8 703	97
Near East and North Africa	7 657	6 962	110
Interregional	1 385	3 117	44
Emergency Assistance	17 346	15 986	109
Total	113 448	106 574	106

7. As per the request of the Joint Meeting at its October 2011 Session, information is provided in *Table 4* below on the share of TCP resources approved against the 2010-2011 appropriation (on 31 January 2012) for specific budget components.

Table 4: TCP approvals on 31 January against the 2010-11 appropriation of USD 113.4 million

Component Description	Approvals (USD million)	% of total approvals
Technical expertise	32.7	29
Consultants - National	12.2	11
Consultants - TCDC/TCCT	4.7	4
Consultants - Retired Experts	0.8	1
Consultants - International	5.3	5
FAO Technical Support Services	9.2	8
Training	16.3	14
Contracts*	11.3	10
Equipment and supplies	21.7	19
Travel	18.5	17
Minor components	12.9	11
Total	113.4	100

(*) Contracts can be considered as contributing mainly to the training component which is used in the majority of the projects as a modality for delivering capacity building activities.

8. The expenditure on approved projects by region, inter-regional and emergency assistance against the 2010-11 appropriation by 31 January 2012 is presented in *Table 5*.

Table 5: Distribution of TCP expenditure against the 2010-11 regional, inter-regional and emergency assistance allocations by 31 January 2012

	Expenditure USD (thousands)	Percent of approved projects	Percent of allocation
Africa	15 725	41	45
Asia and Pacific	6 668	29	32
Latin America and the Caribbean	4 999	29	32
Europe and Central Asia	2 657	31	30
Near East and North Africa	2 391	31	34
Interregional	586	42	19
Emergency Assistance	9 053	52	57
Total	42 079		39

9. The overall expenditure rate has improved significantly during the last seven months. Expenditure against the 2010-11 appropriation increased from USD 19 million to USD 42.1 million, representing 39 percent of the total appropriation. The average monthly expenditure rate of USD 2.1 million for the first six months of 2011 increased to USD 3.3 million from July 2011 to January 2012. The Secretariat will continue to monitor the rate of expenditure against this appropriation for its full commitment by the end of 2013.

10. The distribution of approvals by Strategic/Functional Objective on 31 January 2012 is shown in *Table 6*.

Table 6: Approvals by Strategic/Functional Objective against the 2010-2011 appropriation on 31 January 2012

Strategic/ Functional Objective	Topic	Budget USD (thousand)
A	Crop production	21 784
B	Livestock production	9 381
C	Fisheries and aquaculture	8 626
D	Food safety	1 808
E	Forestry	10 316
F	Natural resources	8 048
G	Markets	4 564
H	Food security	8 661
I	Emergencies	16 178
K**	Gender	0
L	Investment	3 202
X*	Effective collaboration	20 880
	Total	113 448

* Note the information under X includes TCP Facility components for a total of USD 19.6 million.

** Gender – This figure captures only the projects falling under SO K as the main Strategic Objective. It does not reflect TCP projects approved and recorded against a different main Strategic Objective, but which may contribute in part to gender equality in access to resources, good and services and in decision-making in rural areas (SO K). In fact, given the small size of TCP projects individual budgets are not distributed over several SOs but recorded only against the main SO.

At its last session in October 2011, the Joint Meeting commented on the absence of TCP projects approved under the 2010-2011 appropriation registered as contributing to Strategic Objective K “*Gender equality in access to resources, goods and services and in decision making in rural areas*” and requested information on gender treatment in TCP projects. As shown in *Table 6*, the situation remains the same in the sense that none of the TCP projects requested has identified SO K as the main Strategic Objective addressed by the project. Given their relatively small size, individual TCP project budgets are only recorded against the main Strategic Objective (SO) to which they contribute and not recorded over the several SOs to which they might contribute to some extent. In response to the Joint Meeting’s request, more detailed information is provided in Part III (paragraphs 20-23) of this paper on the level of attention granted to gender issues in TCP projects.

III. Implementation of the TCP

Application of TCP quality assurance tools and mechanisms

11. At its October 2011¹ session, the Joint Meeting noted that the Secretariat had undertaken a review of approved projects which included *inter alia* the application by decentralized offices of the TCP approval criteria for non-emergency projects and requested that information in this regard be provided at a forthcoming session.
12. Following the decentralization of the TCP, the Secretariat aimed at identifying trends for TCP development projects in the application of the TCP quality assurance tools and mechanisms, including the TCP approval criteria. The review was carried out by an independent consultant between January and June 2011, through desk work, using multiple sources of information, including interviews with staff and key informants at headquarters and in the decentralized offices. It covered one-third of TCP development projects, including the TCP Facility, approved in 2010, the first year of implementation of the decentralized TCP. The project sample was randomly selected.
13. The review identified a need for:
 - Improving the understandings of three criteria: TCP criterion 4 – “critical gap or problem”; TCP criterion 5 – “sustainable impact” and TCP criterion 7 – “government commitment”;
 - Strengthening the application of two TCP criteria: TCP criterion 9 – “gender-sensitivity” and TCP criterion 8 – “capacity building”;
14. Regarding TCP criterion 3 – “country or regional priorities”, the review found good evidence that the formulation and availability of the NMTPF/CPF translated into TCP projects with clearer alignment with national priorities in the concerned countries.
15. The review being of a qualitative nature, the project sample did not allow a statistical comparison among regions. The review revealed, however, a better application of TCP criteria and rules in the regions that had benefited from the advisory services and support of the TCP Regional Programme Officer put in place through TCP decentralization. Regarding the role of the Peer Review Committees², the review noted that in the vast majority of cases the Committees had resulted in improved quality of project proposals, and also identified possible improvement of the peer review process to further harmonize the understanding of the TCP criteria and strengthen the effectiveness of the Committees for quality assurance. The review found that the level of information included in the TCP Appraisal Sheet (TAS) used to support the analysis against the TCP criteria was insufficient, in particular for TCP Facility projects.

¹ CL 143/9

² The peer review is designed as a neutral mechanism to support the quality control carried out by the TCP Coordinator. In particular, the peer review process aims to review the conformity of project proposals with the TCP criteria and relevant policies and standards of the TCP (more information is available under Section 6.3 of the TCP Manual).

16. To address the aforementioned required improvements and, as requested by the Joint Meeting at its October 2011 Session, the Secretariat is implementing a number of measures to strengthen the capacity of decentralized offices:

- guidance material on the TCP criteria and rules is being revised to facilitate their understanding and clarify their application;
- training needs on various aspects of the TCP (processes; information management; application of the TCP criteria) have been identified in collaboration with regional offices and plans are being finalized to provide tailor-made training over the period 2012-2013.

17. In addition, it is expected that the TCP results monitoring and reporting tool presented below will enable the Secretariat to better monitor and report on the use of TCP criteria and promote a continuing learning and improvement process.

18. Moreover, the ongoing review of FAO's Strategic Framework and preparation of the Medium Term Plan 2014-17 driven by the Strategic Thinking Process, as well as the ongoing decentralization process, may afford opportunities for Members to consider potential enhancements to the use and implementation of the TCP, including its quality assurance architecture.

TCP results monitoring and reporting

19. The Secretariat has finalized the approach for reporting on results of TCP projects one year after closure. The approach foresees the application of a specific tool, the Ex-Post Assessment (EPA) for TCP projects which will enable reporting on project relevance, efficiency, effectiveness and sustainability. More specifically, the EPA will enable the collection of information on the results, outcome, sustainability and catalytic effects of each TCP project, as well as on various aspects including alignment with the CPF and mainstreaming of gender and capacity-building approaches and in line with the TCP criteria.

20. The information will be collected through the Field Programme Information System (FPMIS), FAO's corporate information system for project management. The system will also enable data aggregation and facilitate corporate level analysis and reporting, as well as analysis on the application of the TCP criteria for monitoring and lessons learned. The EPA tool builds on the new corporate project results-based monitoring and reporting approach under development.

21. The EPA tool, guidelines and operational instructions for its use through FPMIS are being finalized. The rollout is planned for 1 July 2012, starting with all those projects that would have closed in the previous 12 months. The EPA implementation process will be managed by decentralized offices and assessments will be carried out by independent consultants. As agreed by the Joint Meeting in April 2011 and endorsed by Council at its 141st session, 0.4 percent of the TCP appropriation has been earmarked in 2012-2013 to fund the independent work for the EPA of TCP projects.

Gender

22. At its 108th session, the Joint Meeting requested that it be provided with more information on the level of attention granted to gender issues within the framework of TCP projects. In this context, it should be mentioned that any TCP project submitted for approval must conform to TCP criterion 9, i.e. "TCP-supported assistance must be gender-sensitive in identification, design and implementation, in line with the Organization's Gender Plan of Action". In addition, starting in 2008, gender qualifiers have been used to mark TCP projects according to four categories (gender equality focus; gender-mainstreamed; gender affirmative action and gender neutral) to allow for improved monitoring and reporting. As of January 2010 and with the decentralization of the development TCP, the gender qualifiers have been applied at the time of project approval by decentralized offices. The results for the 2008-09 and 2010-11 biennia presented in *Table 7* show that 36 percent of the TCP projects approved for the 2008-09 biennium have taken into account gender considerations (corresponding to the first three categories of qualifiers). This figure increased to 56 percent for the 2010-2011 biennium.

Table 7: Number of approved projects by gender qualifier in 2008-09 and 2010-11 biennia (excluding TCP Facilities)

Qualifier	Definition	2008-09	2010-11*
Gender equality focus	Project aims to promote gender equality in the agricultural/rural sector. It addresses gender gaps, forms of discrimination or inequalities.	3	9
Gender-mainstreamed	Project has another primary objective, but gender issues are visibly addressed throughout the project cycle and are reflected in the project outputs, activities, implementation strategy or methodology.	97	125
Gender affirmative action	Project is targeted specifically at improving the situation of disadvantaged rural or urban women to reduce gender gaps.	6	6
Gender neutral	Project has no direct significant impact (positive or negative) on gender-specific needs and interests of men and women.	180	107
Total		286	247

* As at 31 January 2012

23. Furthermore, the Evaluation of FAO's role and work related to gender and development³ (GAD) assessed the extent to which FAO's projects incorporated GAD approaches. The Evaluation presented to the October 2011 Session of the Programme Committee indicated that over the period 2002-2010:

TCP projects represented 48 percent of the projects identified as "gender/women related" (over a total of 471 development projects, i.e. excluding emergencies and rehabilitation);

FAO's contributions through the TCP to GAD initiatives represented approximately 20 percent of the TCP total portfolio (development and emergency) for the period (i.e. 9 percent of the total GAD related resources).

24. Within the framework of the Evaluation, an in-depth review of a sample of 57 TCP projects was carried out from which it appeared that 50 percent of the projects included a gender component or were gender mainstreamed; 25 percent were gender neutral and thus not requiring integration of a gender perspective; 25 percent would have required improvements in the inclusion of gender aspects.

25. The Evaluation recommended improving corporate reporting on gender and ensuring that additional training and tools be provided to FAO officers to ensure better reflection of gender approaches in project design. The corporate tools that are being developed for improved reporting on GAD in projects, will feed into the TCP projects monitoring and reporting tools, including use of improved qualifiers. At the same time, as pointed out by the Evaluation's review of TCP projects there is scope for improving the design of TCP projects, as well as the application and use of the TCP qualifiers to improve the accuracy of project qualification. Specific components will be included therefore in TCP training to be carried out in 2012-13 to reinforce the capacity of decentralized offices to use TCP gender qualifiers and apply the TCP criterion on gender. While responsibility for gender mainstreaming rests with all officers, the planned restoration of gender resources in the regions will allow increased collaboration, in particular through the Peer Review Committees.

³ PC 108/5

Capacity development

26. In considering FAO's Corporate Strategy on Capacity Development at its 106th Session, the Programme Committee requested the Secretariat to provide information in 2012 on the alignment of TCP projects with the principles of capacity development, in particular the three dimensions (enabling environment; organizations; individuals) of the renewed capacity development approach⁴.

27. TCP criterion 8 on "capacity-building" states that "wherever possible, TCP-supported assistance should help build national or regional capacities to ensure that critical gaps and problems to which they are directed would either not appear again or could be resolved effectively at national or regional level". The definition reflects the role of the TCP in creating and transferring knowledge and skills to build capacities of stakeholders. It recognizes also that TCP assistance will be effective only if the project capacity development strategy and related interventions are directed at solving a critical gap or problem within an enabling environment.

28. This criterion must therefore be seen in conjunction with criterion 4 – "critical gap or problem" which requires that the institutional, policy and legal environment be analysed to determine whether the conditions exist for the foreseen TCP project to produce the expected results in a sustainable manner. It is therefore also strictly linked to TCP criterion 5 - "sustainable impact" and TCP criterion 7 – "government commitment" which require that the TCP assistance focus on problems and areas where capacities exist to address any need beyond the project's duration. The three-dimensions of FAO's capacity development approach (individual, institutional and policy) are therefore embedded in the TCP criteria.

29. The Secretariat's review of the TCP criteria revealed that the TCP projects that have good potential for capacity development and that will most likely lead to sustainable solutions are those that have taken into consideration the three dimensions of capacity development. In so doing they are embedded in an enabling environment that ensures sustainability of the project interventions.

30. While the TCP approval process entails that all projects approved be in line with the TCP criteria, the review of the TCP criteria revealed that further improvements are required regarding understanding and application of both the criterion on "capacity building" and "critical gap".

31. The Capacity Development Strategy and Action Plan adopted by the Council at its 141st session (CL141/REP) recommended that measures be taken to strengthen capacity of FAO staff to apply capacity development principles in all projects and interventions, including adoption of criteria for formulation, monitoring and evaluation of FAO projects that reflect the new approach. While the above will increase understanding and application of capacity development *inter alia* in TCP projects, further clarification of the TCP criterion on capacity development and its links with the TCP criterion on critical gap will be included in the TCP training to be carried out in 2012-03 to FAO officers at headquarters and decentralized offices. Furthermore, as mentioned in paragraph 17, the Ex-Post Assessment for TCP projects builds on corporate tools and includes specific capacity development elements. This will allow the Secretariat to improve its reporting on adherence of TCP projects with capacity development principles.

Guidance sought by the Joint Meeting

32. The Joint Meeting is invited to note the progress on the implementation of the TCP against the 2008-09 and 2010-11 appropriations, as well as the improvements being made in the application of TCP quality assurance and reporting tools and mechanisms.

⁴ CL141/8 para. 9.e)