Executive Summary

The 40th Session of the Food and Agriculture Organization of the United Nations' (FAO) Conference appreciated the Organization's progress in the decentralization process, which enabled strengthened coordination with national partners, expansion of South-South Cooperation and the development of strategic partnerships with other stakeholders, especially the private sector and key development actors.

The Conference looked forward to further strengthening these partnerships, especially with the private sector (C 2017/REP). Responding to the 33rd session of the Regional Conference for the Near East and North Africa's (NERC 33) recommendations, efforts are directed towards strengthening the capacity of the Decentralized Offices in the Near East and North Africa (NENA) region to address the needs of Members, particularly of those facing serious economic and social challenges. This document will be reviewed and discussed during the 34th session of the Regional Conference and recommendations stemming from therein will be presented during the Council session in May 2018.

Suggested actions by the Regional Conference

- support the proposed principles and general criteria for reviewing FAO's decentralized network coverage through the adoption of flexible arrangements;
- recognize the need to review FAO's global coverage to direct more effective support to Members with particular regard to countries facing serious economic and social challenges;
- welcome the review of Country Office staffing models to increase flexibility and to adjust to the emerging needs of the countries;
- acknowledge efforts made by the Organization in the region to strengthen national and international partnerships with key stakeholders for more effective normative and field support;
appreciate the strong focus and work of the Organization at country level through achievements highlighted in the celebration of the 40th anniversary of many FAO Representations in the region;

welcome the 40th anniversary initiative as an opportunity to renew the Organization's commitment to its long-term presence in the field while assuring flexibility, efficiency and a high level of technical capacity;

underline the continuing need to prioritize partnerships and resource mobilization at the decentralized level, with emphasis on South-South and Triangular Cooperation and closer collaboration with Rome-based and other UN agencies.

I. BACKGROUND

1. The Council, at its 153rd Session, requested that the Independent Review of Decentralized Offices Network be revised by the 2016 Regional Conferences. All Regional Conferences welcomed the document and supported the proposed principles and general criteria for reviewing the coverage of FAO offices.

2. Taking into account the views of the Regional Conferences and of the May 2016 Programme and Finance Committees, the 154th Session of the Council:

- recognized the need to update the coverage of FAO's Decentralized Offices in a flexible manner and with no increase in the overall decentralized network budget. In addition, it supported the principles and criteria to be applied in a region-specific manner as identified by the Independent Review of Decentralized Offices Network;
- endorsed the region-specific recommendations arising from each of the 2016 Regional Conferences, including the creation of new offices or the support for strengthening of existing capacities on a cost-neutral basis, ideally on a cost-sharing agreement with the host government concerned;
- endorsed the creation of a separate Subregional Office for West Africa (FAO SFW), preferably based in a Francophone country and a Subregional Office for Mashreq Countries (FAO SNM) in Lebanon;
- supported the use of FAO "Partnership and Liaison Offices (PLOs)", as well as FAO "Multiple Accreditation Offices" (with the FAO Representative located in another country); and
- encouraged the Director-General to continue efforts to consolidate decentralization and enhance capacity and internal control at decentralized locations, while maintaining the technical capacity at headquarters and in decentralized locations to achieve the delivery of the programme of work.

3. In July 2017, the 40th Session of the Conference endorsed the main findings of the Report on the Independent Assessment of the Technical Capacity of the Organization that was conducted in 2016 with the following recognitions and recommendations. The Conference, amongst others:

- appreciated the increase in technical capacity of the Organization from 2012 to 2016, both at headquarters and in the decentralized locations, in spite of a flat nominal budget level and overall decline in the number of positions in the period under review; and
- welcomed the suggestion or greater collaboration between FAO, the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP) on administrative areas, for cost-reduction and efficiency, and to leverage FAO's pre-eminent position as a repository of technical capacity.
4. The 158th Session of Council (December 2017) endorsed the updated organizational structure and noted that further budgetary transfers could arise as a result of guidance from the Regional Conferences, further work planning and from the most efficient modalities of implementation during the biennium.

II. COMMON ACHIEVEMENTS TO THE FIVE REGIONS

5. As noted in the Programme of Work and Budget 2018-2019, the Secretariat has embarked on a review of the scope and modalities of country coverage in each region in line with the guidance of the Council at its 154th session in May-June 2016.

6. The current country office staffing models are not well-aligned to countries' needs. In particular, the very high share of resources dedicated to staff costs in the FAO Representations' network net appropriation budget limits the Organization's flexibility to adjust to emerging needs and invest in evolving expertise requirements. Therefore, during the biennium the Secretariat will progressively adjust the modalities of country coverage and take measures to increase flexibility in the use of the budgeted resources. To achieve this, a streamlined country office staffing model will be gradually introduced based inter alia on the size and relative complexity of the country programme including voluntary contributions and partnerships. Over time, this approach will allow net appropriation resources to be reallocated within the country office network budget of each region on a cost-neutral basis, according to country-specific and emerging needs and priorities (such as Low-income Food-deficit Countries, Low- and Lower Middle-income Countries, Small Island Developing States, etc.). Priority will be given to investing in technical capacities, partnership building, outreach, and South-South and Triangular Cooperation.

7. In order to match the size of the FAO Country Offices and their resource allocation with the level of needs and country contexts, negotiations are ongoing with some countries with limited programme or low delivery, to change from Fully-fledged to Multiple Accreditation representations. A first agreement was signed with Costa Rica in 2017. For those countries that have higher delivery rates, negotiations are ongoing to change from Multiple Accreditation to Fully-fledged Country Offices or from no presence to Multiple Accreditation on a cost-neutral basis. FAO PLOs are being negotiated with interested middle- and high-income countries. A new PLO was established in Mexico in October 2017, raising the total number of FAO PLOs to six.

8. To further strengthen technical support to the member countries, the new FAO SNM is being established in Beirut, Lebanon, with the support to host this office agreed with the Government of Lebanon. The FAO SNM Multidisciplinary Team, to be fully covered by extrabudgetary resources, will include experts in the areas of policy, resilience, climate change, plant protection, agro-industries, and rural organizations and extension. The Subregional Coordinator position, shown in the FAO SNM budgeted post establishment, is a transformation of the original FAO Representative position in Lebanon. The new SFW is expected to be established in early 2018. The exact composition of the FAO SFW Multidisciplinary Team is still under discussion, but will be established through a combination of post transfers from the Regional Office for Africa which currently covers the functions for the subregion, and posts funded under the Host Country Agreement. FAO SNG is being strengthened following additional support from the Government of the United Arab Emirates. The new Multidisciplinary Team of FAO SNG will provide expertise in the areas of economic and social development, plant production and protection, water management and irrigation, fisheries and aquaculture and livestock development.

9. In addition, the programming and implementing capacities of all five FAO Regional Offices have been strengthened with the establishment of the new senior position of Regional Programme Leader to take overall responsibility for the substantive formulation, implementation and monitoring of the overall programme of work in the region. This is in line with the process of consolidation of the Strategic Programme and the Regional Initiatives.
10. In order to increase country resource allocations, the Organization is following up on the enforcement of the outstanding Host Country Agreement commitments of governments, such as Government Counterpart Cash Contributions (GCCC) payments and in-kind contributions. Meanwhile, renegotiations of some of the older Host Country Agreements are being undertaken which include updated government contributions to reflect the economic status of the country concerned. This exercise is ongoing but the process is intrinsically lengthy.

11. It is also important to mention that Quality Reporting is emphasized as one of the key areas where improvements for all Decentralized Offices are sought on a global level at FAO. In 2017, the initial phase of the Internal Control (IC) Reporting process was launched in all five regions. The IC Reporting has replaced Annual Checklists for FAO Representatives. This process is a long-term commitment that also attempts to streamline the work of the Decentralized Offices and integrates the Internal Control Questionnaire (ICQ) with other reporting requirements including an External Risk Assessment. Through the end of December 2017, all of the required ICQs from Country Offices had been submitted. Based on the ICQs, each Regional Office will prepare representation letters which the Director-General will use to prepare the Statement of Internal Control. Senior management, with the strong endorsement and support of the Governing Bodies, as well as External Audit, continues to emphasize the need for strong internal control and effective risk management.

12. The strengthening of the Rome-based Agencies (RBAs) collaboration is ongoing at country, regional and global levels. RBAs are fully committed to jointly contribute to the 2030 Agenda for Sustainable Development and working together to support countries in its implementation. Good practices are being developed and replicated in a range of contexts, highlighting common challenges, approaches and innovations, scaling up effective joint activities and developing common initiatives. In September 2017, the Heads of the three RBAs travelled together to Ethiopia for the first-ever joint country mission, where they made a joint call for enhanced investment in strengthening people's resilience to drought and the impacts of climatic shocks. At country level, the RBAs are joining in project programming, formulation and implementation. For instance, FAO Sudan has signed a Country Level Declaration with WFP to enhance the sustainability and impact of country programme interventions and strengthen areas of collaboration and partnership at country level. Furthermore, the number of countries where FAO and IFAD are sharing premises continues to grow and has now reached eight, in line with the framework agreement signed by the two agencies in 2013.

13. In the context of the General Assembly resolution on the 2016 Quadrennial Comprehensive Policy Review (QCPR) (71/243), the UN Secretary-General presented for consideration and endorsement of Member States, a reform proposal for a more effective, cohesive and accountable United Nations Development System, allowing for appropriate support to the achievement of the 2030 Agenda. The reform calls for significant adjustments in the skillsets, leadership, coordination and accountability mechanisms of the system. The vision is articulated along seven reform streams: i) Delivering system-wide results; ii) new generation of UN Country Teams; iii) reinvigorated UN Resident Coordinator System; iv) a revamped regional approach; v) improved oversight and accountability; vi) scaling up partnerships; and vii) a new funding compact. The reform entails a variable time frame for the implementation of the different proposals, and is subject to Member States’ support. FAO is assessing the implications of this package of reform proposals while actively engaging with the UN Development System at country and regional levels to support the Secretary-General’s reform initiative.

III. ACHIEVEMENTS AND CHALLENGES IN THE DECENTRALIZED OFFICES NETWORK IN THE REGION

14. During 2016-2017, FAO has focused its work in the regions on the challenges identified by the 2016 Regional Conferences. Major achievements in NENA are presented below:

- Increased partnership arrangements have been concluded since the last Regional Conference (NERC 33) particularly with RBAs with whom collaboration has become a prominent feature of FAO modus operandi at regional and country level. In this respect, consistent with the Global Memorandum of
Understanding between FAO and WFP, a separate and targeted Partnership Agreement between FAO and WFP Regional Offices was signed on 17 October 2017, in Cairo to delineate the areas of collaboration between the two agencies capitalizing on the individual comparative advantages, avoiding redundancies and ensuring synergies towards unity of purpose. The partnership underlines the agencies' commitment to work together with UN Member States towards the Sustainable Development Goal of Zero Hunger by 2030. In countries currently facing emergencies, such as Iraq, Syrian Arab Republic and Yemen, FAO and WFP are intensifying joint efforts to assist affected communities through emergency response and livelihood support programmes for people in rural and conflict-affected regions.

- NENA continues to support regional dialogue among FAO Members, civil society, the League of Arab States (LAS) and development partners on food security and nutrition issues, including the effects of conflicts and protracted crises on food security and nutrition in the region. A regional multistakeholder workshop on food security and nutrition was organized jointly with the Committee on World Food Security and WFP where joint efforts to strengthen food security and promote better nutrition were presented to the audience highlighting success stories and lessons learned for better future programming.

- In acknowledgement of the importance of furthering research to respond to the ever-emerging challenges posed by conflicts coupled with climate change that by all measures worsen an already fragile setting, FAO joined hands with the International Center for Agricultural Research in the Dry Areas (ICARDA). Building on successful relations among the two agencies and the cooperation in supporting sustainable agricultural development and management of water and land resources to enhance food security and improve livelihoods in the NENA region, the two Organizations agreed to extend their strategic partnership until 2020. Following bilateral discussions, a Letter of Agreement between FAO and ICARDA was signed in November 2017.

- Increased regional collaboration is achieved with the Arab Organization for Agricultural Development (AOAD) of the LAS to achieve common goals in the area of sustainable development in agriculture and natural resources management, particularly in relation to crop productivity and animal and fish stock, in the wake of increasing water scarcity. As a result of successful partnership under the Agreement between AOAD and FAO since November 2001 and in order to reinforce further mutual collaboration, a subsequent Implementation Agreement was signed on 19 October 2017 in Cairo.

- Shift from the old paradigm of disaster relief and recovery to that of planning preparation and resilience building towards longer-term development interventions is achieved, where conditions permit.

15. In implementing the recommendations of NERC 33 relating to the reorganization of coverage in the region and strengthening the Multidisciplinary Technical Capacity, the following achievements can be highlighted:

- During 2016-2017, the capacities of the Regional Office have been significantly strengthened with the recruitment of fifteen permanent professional staff in the areas of Agro-industry and Value Chains, Natural Resources Management, Animal Health and Animal Production, Food Security and Nutrition and Programmes/Operations.

- Office technical and operational capacities in countries affected by crisis and conflicts - Jordan, Lebanon, the Sudan, Syrian Arab Republic and Yemen - have also been strengthened to enable them to deliver on their programmes. As a result, a record Resources Mobilization level of USD 294 million has been achieved in 2016-2017.

- A new five-year Framework Agreement has been signed with the United Arab Emirates for the Subregional Office for Gulf-Cooperation Council Countries and Yemen (FAO SNG) in the
United Arab Emirates. Recruitment of five Senior Professional Officers for FAO SNG is undergoing with the office expected to be fully staffed during the first quarter of 2018.

- The Agreement between the Government of Lebanon and FAO for the establishment of a Subregional Office for Mashreq Countries (FAO SNM) in Beirut, Lebanon was signed in December 2016. This important development will help advancing priorities for the subregion, including support to displaced populations, control of epidemics affecting livestock and the agriculture sector, and application of climate change adaptation and mitigation techniques. Recruitment of staff for the newly established Subregional Office in Beirut (FAO SNM) is underway.

16. It is important to highlight the work that has been done to advance Country Programming Frameworks (CPF)s in the region under the newly established CPF Guidelines. During 2016-2017, a total of ten CPFs were formulated and endorsed. Three additional CPFs are currently being formulated. The status of CPFs in the region is as follows:

- CPFs were endorsed/signed by the Government in Lebanon (2016-2019), Jordan (2017-2021), Tunisia (2016-2020), Morocco (2017-2020), the Sudan (2017-2020), Iraq (2018-2022) and Mauritania (2017-2021);
- CPFs have been submitted for final signature by the National Governments in Iran (Islamic Republic of) (2017-2021), Egypt (2017-2022) and Oman (2018-2022);
- CPFs are under formulation in Algeria (2018-2021), Libya (2018-2019) and Syrian Arab Republic (2018-2019);
- In addition a cooperation agreement (2018-2022) aligned to the CPF guidelines has been developed for Palestine.

IV. OPTIONS FOR CHANGE IN THE NEAR EAST AND SUGGESTED ACTION BY THE REGIONAL CONFERENCE

17. FAO has made considerable efforts in supporting Members in the region to strengthen their resilience capacity for food and nutrition security through enhanced partnerships with key stakeholders including UN agencies, resource partners, civil society and key research centres for more coherent, relevant and comprehensive action.

18. In light of the political developments in the region, the Organization is sharpening its vision of the agriculture sector in the region, promoting a transformative agenda in close consultation with its Members to ensure long-term development goals.

19. The Independent Assessment of the Technical Capacity of the Organization emphasized the critical importance of increasing and sustaining a critical mass of technical capacity, in order to promote transformational changes and the necessity to continue providing support to FAO Members on the development and implementation of norms, standards, and global public goods. Efficiency gains and savings need to be further pursued and centred around the principles of reducing administrative burden and increasing value for money.

V. 40 YEARS OF FAO COUNTRY REPRESENTATIONS

20. FAO's Decentralized Office Network covers 152 countries. Within this network, there are 85 fully-fledged country representations, of which 55 were established between 1977 and 1979. Approximately 70 percent of these offices, therefore, are marking their 40th anniversary between 2017 and 2019. A rolling three-year anniversary initiative is under way to celebrate "40 years of FAO country representations".
21. By showcasing results achieved through the Organization's long-term country presence over the past four decades, the initiative is proving a useful occasion to illustrate the alignment of FAO's expertise with government priorities while also demonstrating its agility in adapting to the evolving needs of regions, subregions and countries.

22. Anniversary celebrations have shown strategic partnerships and innovative resource mobilization options, including close collaboration with Rome-based and other UN agencies, to be integral to FAO's decentralization strategy and essential for supporting member countries' achievement of the Sustainable Development Goals, particularly in areas concerning food security and nutrition.