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COMMITTEE ON FISHERIES

SUB-COMMITTEE ON FISH TRADE

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ROLE OF STRATEGIC OBJECTIVES (SO) WITHIN THE FAO REPORT PROCESS

Executive Summary

This paper provides a summary of the strategic thinking process that was launched by the Director-General of FAO in January 2012 to support the revision of the Strategic Framework 2010–2019, the preparation of the Medium Term Plan 2014–2017 and the Programme of Work and Budget 2014–2015. It reviews the new Strategic Objectives (SOs), the modalities of their implementation and the potential impact on the work of FAO in fish trade.

Suggested action by the Sub-Committee:

- Comment on the new SOs; and
- Provide guidance on their implementation.

INTRODUCTION

1. In January 2012, the FAO Director-General launched the Strategic Thinking Process to determine the future strategic direction for the Organization. The process was designed to support the development of FAO's main strategy and programming documents, including revision of the existing Strategic Framework 2010–19, and the preparation of the new Medium Term Plan 2014–17, as well as the Programme of Work and Budget 2014–15.

2. The reviewed Strategic Framework provides the overarching strategic direction for the Organization. Starting from FAO's Vision and Global Goals, the Strategic Thinking Process, through a series of iterative, analytical and consultative steps, identified: (i) overarching, global, political, and socio-economic trends envisaged to frame agricultural development over the medium term; (ii) main challenges, derived from these trends, expected to be faced by member countries and development actors in food and agriculture in the coming years; and (iii) FAO's basic attributes, core functions and comparative advantages mapped against the main challenges.

3. The concepts of comparative advantages and core functions were examined by means of a critical analysis centred on two elements: the evolving development cooperation environment globally, and FAO's basic organizational attributes. As a result of the analysis, a revised set of seven core functions¹ has been defined, being the critical means of action to be employed by FAO to achieve results.

4. Following the 144th Session of the Council in June 2012, five working groups were formed to elaborate the five new SOs, which were endorsed by the 145th Session of the Council in December 2012. This formed the basis for preparing the reviewed Strategic Framework and the full draft Medium Term Plan 2014–17 and Programme of Work and Budget 2014–15, which was published on 9 February 2013 and which was subsequently approved by the FAO Conference in June 2013.

5. During 2013, the Strategic Objective Coordinators (SOCs) elaborated their SO action plans and results frameworks with their teams, including outputs and indicators, and prepared work plans with products, services and resource allocations (staff and non-staff), in consultation with headquarters and decentralized offices as well as the cross-cutting theme teams.

6. The aim was to apply a programmatic and synergistic approach by reaching agreement on the contributions that will be necessary from technical departments and decentralized offices in order to achieve organisational outcome indicator targets and to develop the appropriate mix of aligned FAO and partner contributions.

7. Work planning was undertaken in three phases from March to December 2013 (*at the time of writing, this was not complete*²):

- High level strategic work plans, with Strategic Objective and Organisational Outcome indicators developed and with Outputs further elaborated;
- High level work plan review and quality assurance undertaken by the SOCs, Assistant Director-Generals (ADGs) of Departments and of the FAO Regions and approved by the Corporate Programmes Monitoring Board (CPMB);
- Operational work plans - formulation of products/services and allocation of resources (*at the time of writing this was not complete*).

8. The operational work plan formulation is where the matrix management arrangements start to be put in place. SOCs lead the operational work planning and priority setting in collaboration with

¹ (1) Working with countries to develop and implement agreements, codes of conduct and technical standards; (2) Collecting, analyzing and monitoring agricultural data and information to support policy decisions; (3) Enabling policy dialogue at global, regional and country levels; (4) Working in partnership with a wide range of institutions, including international and regional organizations, universities, governments, civil society and the private sector; (5) Building the capacity of countries to meet their agricultural development goals; (6) Capturing and sharing knowledge internally and with partners; and (7) Communicating about FAO's work.

² December 2013.

ADGs (headquarters and regions) so as to ensure that necessary technical inputs are provided. The SOC is assisted by the SO Core Team and the Output and/or Outcome Team Leaders.

THE NEW SOs³

9. FAO's Vision is "A world free from hunger and malnutrition where food and agriculture contribute to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner" and the three Global Goals of Members are:

- 1) Eradication⁴ of hunger, food insecurity and malnutrition, progressively ensuring a world in which people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
- 2) Elimination of poverty and the driving forward of economic and social progress for all, with increased food production, enhanced rural development and sustainable livelihoods; and
- 3) Sustainable management and utilization of natural resources, including land, water, air, climate and genetic resources for the benefit of present and future generations.

10. Within this context, the five new SOs developed during 2013 represent the main areas of work on which FAO will concentrate its efforts in striving to achieve its Vision and Global Goals.

11. The five SOs are:

- SO1: Contribute to the eradication of hunger, food insecurity and malnutrition;
- SO2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner;
- SO3: Reduce rural poverty;
- SO4: Enable more inclusive and efficient agricultural and food systems at local, national and international levels; and
- SO5: Increase the resilience of livelihoods to threats and crises.

12. A separate objective, Objective 6, on technical quality, knowledge and services, and two cross-cutting themes on gender and governance, are integral to the achievement of the Strategic Objectives. On governance, the focus is on strengthening the rules and processes that affect the interactions of state and non-state actors in a variety of sectors. On gender, the focus is to ensure that all FAO work emphasizes gender equality, participation and empowerment of women.

13. The following seven core functions are the primary means of FAO's action to achieve the SOs: *normative and standard setting instruments; data and information; policy dialogue; capacity development; knowledge, technologies and good practices; partnerships; and advocacy and communication*. The Technical Cooperation Programme would closely align with the SOs through Country Programming Frameworks and four Functional Objectives would provide an efficient and effective enabling environment through *outreach; information technology; FAO governance, oversight and direction; and administration*.

14. A brief synopsis of the five SOs and Objective 6 is provided.

SO1: Contribute to the eradication of hunger, food insecurity and malnutrition

15. FAO will support governments and development partners to design the right policies, programmes and legal frameworks that promote food security and nutrition, and will advocate for the implementation of these policies and programmes, encouraging sufficient financial resources to be made available, the right organizational structures to be in place, and importantly, ensuring adequate human capacities.

³ Please refer to Annex I.

⁴ While FAO's Vision and Global Goals were approved by the Conference in 2009, the Council recommended an amendment to Global Goal 1 that elevated it from "reducing" to "eliminating" hunger, which was adopted by the FAO Conference in July 2013.

16. The focus will also be to enhance the capacity of all stakeholders to put in place governance and coordination mechanisms and broad partnerships for more focused and coordinated action towards the eradication of hunger and malnutrition.

17. Lastly, FAO will assist countries in ensuring that the formulation of policies, investment and action plans is based on evidence: helping countries in generating credible data and statistics, and strengthening analytical capacities, and will work with partners to monitor progress, assess impact and learn lessons from their efforts in food security and nutrition.

SO2: Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner

18. The focus is to develop and share sustainable production strategies with decision-makers and promote management practices that increase productivity and save natural resources, and help producers to adopt the technologies and practices that best suit their needs.

19. In an evidence-based context, FAO gather and share the information needed to underpin the development of highly sustainable and productive agriculture, and develop and share analytical tools for planning the management of natural resources in agricultural systems.

20. In the drive to promote the transition to sustainable agriculture, FAO will help countries to assess the effectiveness of their strategies for sustainable agriculture and will support the development of policies and laws to underpin the transition to sustainable agriculture.

21. Lastly, FAO will ensure that international commitments on sustainable agriculture are backed by national laws and policies. In this light, FAO will strongly advocate country adherence to international agreements and partnerships that promote productive and sustainable agriculture.

SO3: Reduce rural poverty

22. With the goal of improving opportunities for the rural poor to access decent farm and non-farm employment, FAO will improve the design of rural economic diversification strategies and policies that promote decent work creation and skills training for rural workers, especially for youth and rural women. It will also assist in the application of international labour standards, such as eliminating discrimination, ensuring occupational safety and health and preventing child labour, consistent with overall improvement of rural livelihoods.

23. With a new focus, FAO will strengthen the synergies between social protection measures and food security, improved nutrition, agricultural productivity growth, empowerment of rural women, and rural poverty reduction. It will also support the development of national policies and programmes on social protection for the rural poor, including in relation to remittances, migration, and cash transfers.

24. A final focus will be to empower the rural poor to gain sustainable access to resources and services through strengthening rural institutions and organizations, including producer organization and cooperatives, formulating comprehensive rural development and poverty reduction strategies and improving the provision of rural infrastructure and services accessible to the rural poor. Work will also target improved access of the rural poor to natural resources and the sustainable management of those resources and improved productivity and income generation capacity of smallholder farmers and other producers.

SO4: Enable more inclusive and efficient agricultural and food systems at local, national and international levels

25. In this SO, FAO will help build agrifood trading systems through support to the formulation of trade-related agreements, the strengthening of global market information and analysis and the enhancement of countries' trade preparedness. In the sphere of standard setting and implementation, FAO will support the development of global standards for food safety and plant and animal health and will support both governments and value chain operators to build capacities to comply with the requirements for food safety and plant and animal health.

26. FAO will work with governments at policy and strategy levels in the development of agro-industry and agrifood chains that encourage the participation of smallholders and small and medium agricultural enterprises. There will also be a focus on food losses and waste reduction through the development of an evidence base on the causes, magnitude and impacts of food losses and food waste, and solutions for reducing them in parallel with support to the development of national and regional policies and strategies to reduce food losses and waste.

27. The impact of finance and investment will be enhanced through development of efficient financial institutions and innovative services and through support to governments to mobilize and improve public investment in the agrifood sector, along with work with governments and the private sector to accelerate responsible private investments. Finally, FAO will help countries to develop capacities to track and assess the impacts of policy and market incentives and to assess and monitor price volatility and policy stability and manage the associated risks.

SO5: Increase the resilience of livelihoods to threats and crises

28. SO5 will focus on helping countries and regional and global authorities develop strategies and plans for reducing and managing disaster-related risks to agriculture, food, and nutrition. Countries will also be supported to ensure that risk reduction measures are included in all policies related to agriculture, food and nutrition and that adequate resources towards risk reduction are mobilized. National and local capacity development for reducing and managing risks specific to agriculture, food and nutrition is a key outcome.

29. FAO will develop and share mechanisms to monitor and warn about multi-hazard risks and threats to agriculture, food, and nutrition and will help countries and communities to monitor, warn and act on those risks and threats. In the prevention and mitigation of risks, FAO will also develop and share strategies and knowledge to reduce the impact of disasters on livelihoods and will help countries to ensure their agricultural and marketing systems can withstand and recover from crises.

30. Crucially, FAO will advocate and provide assistance so that humanitarian action protects the livelihoods of vulnerable farmers, herders, fishers and tree-dependent communities during emergencies. It will also help to ensure that disaster response plans are coordinated at all levels and will document and share knowledge about successful disaster preparedness and response actions.

Objective 6: On technical quality, knowledge and services

31. The main function of Objective 6 on technical quality, knowledge and services is to contain the resources that will be directly managed by the technical departments, contributing as appropriate to the five SO Action Plans and to the quality and integrity of FAO's technical work. Twelve areas of Corporate Technical Activities have been identified. The following areas are relevant to fisheries and aquaculture: i) statistics; ii) flagship publications (e.g. SOFIA); iii) core units for cross-cutting themes on gender and governance; iv) bodies established by Article V of the FAO Constitution (e.g. COFI and its two Sub-Committees on fish trade and on aquaculture); v) bodies established by Conference and Council under Article VI and Article XIV of the FAO Constitution (e.g. certain RFMOs); vi) UN System and other global initiatives where FAO formally participates; and vii) other formal agreements other than projects (bilateral and non-governmental).

IMPLEMENTATION OF THE SOs

32. The Organization has adopted a matrix structure for the delivery of the new programme of work, involving the management of Strategic Objective Operational Work Plans and organizational units. To ensure that the matrix structure is ready to function from January 2014, FAO has adjusted internal governance arrangements, elaborating the implementation arrangements for matrix management.

33. Action plans have been formulated for each SO in a results-based framework. The Action Plans describe the overall strategy that FAO will use to work on the issues and problems identified in each SO. They set out the main issues selected, the way in which Core Functions will be applied and identify areas where partnerships are needed. They also identify and describe Organizational

Outcomes (OO) and Outputs to be produced by FAO. Indicators, baselines and targets are formulated by the SO teams to monitor and measure achievement of the OOs and contributions to the development outcomes and indicators that are associated with each SO.

34. Work plans to implement the SO Action Plans include products, services and activities to be developed at FAO headquarters and in the field by different organizational units individually or in collaboration with other units, and the associated resource allocations. SO Action Plans are a basic instrument to unify the work done at headquarters and in decentralized offices (DOs) and also to articulate normative work and its application.

35. Implementation of the SO Action Plans is based on the application of the seven Core Functions, which are the main instrument of FAO's work. The emphasis and relative importance of each Core Function applied will depend on the specific characteristics of planned Outputs and related products, services and activities.

36. The Corporate Programmes Monitoring Board (CPMB) provides strategic direction, coordination, oversight and continuous review of the matrix approach for programme delivery, with a particular emphasis on the SO Action Plans. In providing continuous review, the CPMB exercises permanent monitoring and evaluation of the work and performance of the new matrix approach and will meet as necessary to perform this function.

IMPACT OF THE SOs ON WORK IN FISH TRADE

37. It is expected that the new Strategic Planning Framework will have a positive impact on the work on fish trade, especially in areas where cross departmental integration has not been as strong as it could have been. The SO framework is already leading to more integration of FI activities into wider FAO programmes. Over time, it would enable the integration of fisheries within a larger context of natural resource management, food security, social and economic development and sustainable management of natural resources. The work on fish trade is likely to be strengthened in areas such as social protection, livelihoods, ecosystem services, contribution to food security and nutrition.

38. While the SOCs have the overall conceptual leadership and are accountable for the delivery of Outputs and achievements of the OOs, delivery of the outputs can be organized through corporate initiatives. Of relevance to this session is the FAO Global Initiative on Blue Growth in support of food security, poverty alleviation and sustainable management of aquatic resources.

39. The Blue Growth Initiative would be a cross-cutting global programme that would provide global, regional and national impact to increase food security, improve nutrition, reduce poverty of coastal and riparian communities and support sustainable management of aquatic resources, including, through participatory processes and actions, improving implementation at local levels. The impact would be effected through transformational changes in capture fisheries management, resource and habitat conservation, increased sustainable aquaculture production, appropriate attention to small scale fisheries, improved livelihoods and social equitability as well as fairer, transparent, predictable and more secure and improved food systems.

40. Within FAO, the Blue Growth Initiative would integrate transversally the elements (P/S) of outputs of direct relevance to fisheries, aquaculture and aquatic eco-systems. It would reach out to other related programmes that impact on the health and performance of the aquatic eco-systems. In the global arena, the initiative would enable FAO to align with major global initiatives such as the Green Economy in a Blue World (UNEP/IMO/FAO/UNDESA/IUCN/World Fish Center), the Global Partnership for Oceans (World Bank), the Oceans Sustainable Development Goals, Fishing for the Future (World Fish Center/FAO), as well as commitments stemming from the Rio+20 Conference.

41. Within the context of the Blue Growth Initiative, fish utilization and trade no longer should be considered only under the ambit of technical and economic feasibility of processing and investment projects and trade promotion, but should be more and more integrated into the policies of government and the corporate social responsibility policies of the industry encompassing sustainability, environmental and social protection.

42. This component of the Blue Growth Initiative would assist members and industry organizations in developing policies for value addition and trade promotion, integrating economic performance, food security, sustainability and social protection. With the transition to more sustainable fisheries management, it would promote public/private partnerships that support investment in infrastructure, technology and practices to increase fisheries value addition and quality.

ANNEX I

