

April 2012



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Food and  
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Продовольственная и  
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организация  
Объединенных  
Наций

Organización  
de las  
Naciones Unidas  
para la  
Alimentación y la  
Agricultura

# FAO Regional Conference for Africa

## TWENTY-SEVENTH SESSION

Brazzaville, Congo, 23-27 April 2012

## DECENTRALIZATION ISSUES

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## A. Introduction

1. FAO is a knowledge organization with its feet on the ground. In order for FAO to maximize its impact on the lives and livelihoods of people in its Member countries, the Organization's normative and standard-setting work must be translated into country-level impact; its global knowledge products must lead to tangible change in policy and practice; and its programmes in the field must produce measurable and valued results. Significant changes are required to improve the performance of FAO to produce knowledge, norms and standards that are translated into country-owned policies, strategies and programmes, while also learning from national and regional experiences. This also requires a (greater/ more involved) partnership with governments, civil society and the private sector, as well as the UN system, other development organizations and research institutions, working together to make the most of available resources to eradicate hunger.

2. The Organization has been working over the past four years on reforms to improve its impact and ensure that all parts function as one in an efficient and effective manner. As highlighted in the Independent External Evaluation, agreed by Members through the Immediate Plan of Action and reiterated in a number of evaluations and other documents, decentralization is a critical element in improving the Organization's performance and impact. It is not an end in itself but a means to achieving greater efficiency, accountability, transparency and impact in providing support to Member countries. It is a process that aims at fundamentally changing the way FAO works, refocusing, as appropriate, the Organization's programmes and activities to achieving development goals at country level. There is both urgency and opportunity in how the Organization implements this process.

3. A flexible and responsive country-impact-centered support network is needed. This, together with empowered ADG/Regional Representatives and FAO Country Representatives who will have greater latitude in dealing with resources within the region and countries, entails a significant change in organizational culture, processes and information systems. The first step is clearly to make the best use of those human and financial resources that currently are available within each region. Members and the Secretariat of the Organization have been working together on a renewed vision of the structure and functioning of FAO's decentralized offices and on how they relate to other parts of the Organization. The proposal, and the plan for its implementation, will be presented for consideration by the Finance and Programme Committees in May 2012, and for endorsement by the Council in June 2012. The Regional Conference for Africa (ARC) is invited to make recommendations and to offer guidance, in line with its new role as a Governing Body, with full awareness of the financial implications of the programme it endorses.

4. The changes outlined in this paper represent implementation proposals by FAO management in response to the expressed wishes and expectations of Members for improvements integral to greater FAO reforms. They also embody the elements of the agreed organizational Culture Change Strategy and take its implementation forward. The Culture Change Strategy, approved in 2011, stated that *"FAO aspires to a culture that is less hierarchical, more results-focused, more collaborative, entrepreneurial and accountable; and one which makes the best use of the skills of its people, creating mutual respect among employees at all levels."* Decentralization has major implications for FAO's organizational culture and touches directly on all the actions recommended in the Culture Change Strategy, building renewal around *people, performance and partnerships*. Drawing on elements of the Strategy, the decentralized office network (i) is critical, for example, for *career development and an inclusive work environment*; the selection, evaluation and succession planning of country representatives is necessary to ensure professional excellence of the Organization; *enhancing the performance of FAO* depends on the prioritization, results, efficiency and accountability of what it does in the field; *"Working as One FAO"* can only be accomplished if this extends to the country level; and the real test of *strengthened partnerships* will depend on knowledge sharing, learning and stakeholder orientation on the ground.

5. Many of the changes introduced below will have significant behavioural and mindset impact regarding decentralized regional offices, but actions are also required at headquarters. In the past, moving out of headquarters to work in the field was often seen as undesirable or detrimental to

professional advancement. Now, however, many FAO career development paths are expected to include a rotation in a decentralized regional office. Promotions, particularly at the higher levels will take this into consideration, on a merit basis. Furthermore, greater technical support is required from headquarter based officers to assist in the translation of normative work to country actions and to respond to requests from decentralized offices in a timely fashion. Similarly, feedback from field experience is necessary to enrich headquarters normative work and headquarters staff must be fully engaged in Functional Technical Networks (FTNs), on equal footing with colleagues in the field. New human resource policies and new administrative processes are being introduced and new information systems and a strengthened global ICT network are needed. There are a number of ways in which FAO may encourage this shift in mindset, such as requirements that work plans make interaction with field activities an explicit requirement, or that decentralized staff are included in headquarters staff evaluations, and vice versa, among others discussed below. How this is achieved will vary across departments and technical units, within Organization-wide policy guidelines. At all locations there will be a "clear line-of-sight" from global goals through strategic objectives, results and outcomes all the way to individual annual work plans. Efforts to implement these changes are currently underway and should be seen as part and parcel of decentralization.

6. Based on the advice of the Joint Meeting of the Programme and Finance Committees of 12 October 2011, the 143rd Session of the Council (November-December 2011) endorsed two related sets of actions<sup>1</sup>. The first aims at making the Organization more responsive to the needs of Members through improved results-based planning and priority setting. They reiterated "the lead role of decentralized offices in the country programming process, the development of their capacities in this regard, the necessity of the engagement of member countries, and the close linkages between FAO's resource mobilization strategy and the country programming process." The second proposes adjustments to the "the structure and functioning of FAO's decentralized regional offices network and the urgent need to carry through the process of decentralization" to make the Organization more efficient and effective in delivering and catalyzing results.

7. The next section of the present paper builds on four key themes identified by Governing Bodies in Rome in 2011 for consideration by the Regional Conferences in formulating their guidance: i) improved planning and priority setting in which the countries and regions play a greater role; ii) a more flexible decentralized regional office network with a new balance between regional and country offices and technical hubs; iii) an integrated model for programme delivery, including improved human resource management for enhanced performance, accountability and country-level impact, and iv) risk monitoring and oversight.

8. Section C of the paper outlines regional considerations related to decentralized efforts in Africa and highlights changes to make FAO more effective. The paper also seeks guidance of the Regional Conference on key decisions required to carry this process forward.

## **B. Key Themes Identified by Governing Bodies at the Global Level**

### ***(i) Improved Planning and Priority Setting***

9. A key theme of the Governing Bodies is the need for improved planning, priority setting and resource mobilization. It requires a revamped process, now underway, that builds both from the bottom up the planning at the country and regional levels, and from the top down, through the global level guidance of the Members. This places new demands on the Regional Conferences to provide input that lay out clear priorities and provides guidance on the allocation of FAO resources. Regional priorities need to be based on an assessment of the existing and emerging regional trends and challenges, build on consultations at sub-regional level and take into consideration the global goals and overall strategic objectives of FAO. The Regional Conferences also need to consider the priorities of Regional Economic Integration Organizations and the recommendations of Regional Technical Commissions. These regional priorities will guide the work, and have an impact on the structure of

<sup>1</sup> CL 143/7 paragraphs 5-10, CL 143/REP paragraphs 12-14

FAO in the region, as well as contribute to the formulation of the Organization's global Medium Term Plan and Programme of Work and Budget.

10. For this to happen, strengthened Country Programming Frameworks (CPFs) are required. In order to improve focus and coherence of FAO's actions they will be prepared in close alignment with the planning cycle of each Government and its priorities, the work of other UN system organizations through the United Nations Development Assistance Framework (UNDAF) process, as well as linkages and partnerships with the Rome-based agencies. The CPFs will provide the basis for FAO to engage with Member governments on jointly agreed priorities and results, consistent with regional, sub-regional and global priorities. The CPFs will also help define the rationale and priorities in FAO's resource mobilization efforts.

11. A number of countries are well advanced in preparing CPFs based on strategic analysis. It is, however, a complex challenge for which not all countries are currently equally prepared. During 2012, successful CPF formulation experiences will be followed closely, their lessons synthesized and applied elsewhere. It is also important that the work coincide and build upon the analysis and priorities that emerge from the Government's own planning process. Taking this into consideration, it is expected that, by the end of 2012, all countries will have at least the CPF outline under discussion with the government (ii). Country offices with annual delivery of less than USD 1 million and those without international staff, may opt for a "light version" for the CPF listing four to six priorities, with a plan for its implementation endorsed by government.

***(ii) A More Flexible Decentralized Office Network with Strong Country Office Leadership***

12. A more flexible and adaptable structure of decentralized offices is needed in order to better address the needs of the Member states, particularly the most vulnerable countries and populations, as well as take full advantage of the knowledge and resources that each country has to offer. This will require FAO Representatives of the highest quality in all countries, who are able to lead the CPF process, coordinate technical inputs, mobilize resources, form strategic partnerships and manage sizeable integrated development and emergency programmes. A guiding principle of this more flexible structure is that all of FAO's human and financial resources in a particular region must be used to ensure more efficient and effective delivery at the country level. There are also important regional and transboundary activities that will continue to be carried out by officers based in regional offices, who also play an important role in supporting county programmes. Within this overall approach a number of actions, most of which will be completed within 2012, are set out below.

**a) At the Country level:**

- a.1 Renewal of FAO Representative contracts will be dependent upon satisfactory performance, with a strengthened performance evaluation system; the posts of FAO Representatives are now integrated into the Organization's mobility and career development programmes; as part of the selection process, all finalists will undergo professional management competency testing prior to appointment; and a succession planning process is being implemented to ensure the smooth and timely transition between accredited FAO Representatives.
- a.2 Increased use of cost-sharing agreements with host governments will be explored, particularly in large and middle income economies,. This could open up the opportunity to reallocate resources to vulnerable countries in the same region.
- a.3 There will be greater collaboration with other UN system organizations, particularly the Rome-based agencies, as well as the International Financial Institutions, the private sector and civil society at the country level.

**b) At the Regional or Sub-regional levels:**

- b.1 The Regional Office serves the countries and provides support and services to the country offices in the region. It is the operational hub of the region, providing overall administrative

and managerial support to the decentralized regional offices network, as well as provide strategic coordination, including the most efficient use of staff and resources. This strategic coordination also includes more effective policy advice and the systematic exchange of experiences between countries of the region and participation in various regional and sub regional fora dealing with food security, agriculture and rural development. As with other aspects of decentralization, one size need not fit all and appropriate management models may be designed according to regional capacities and specificities, the number of countries to be serviced and the size of the field programme.

- b.2 The ADG/Regional Representatives will be empowered in several ways: politically as representatives of the Organization in their region and, as managers, they are responsible for the FAOR network in their region. They will be involved in the selection of FAO Representatives and are responsible for the performance evaluation of the FAORs and their offices.
- b.3 As FAO moves to define its comparative advantages and plans of action around more cross-cutting themes for execution at the global, regional and country levels, it is important to maintain a critical mass of technical expertise in multidisciplinary teams that are able to interact easily with each other. While keeping this in mind, technical posts and technical staff will be considered to be 'mobile' within the region and depending on the priorities and changing needs of countries or groups of countries, may be allocated to different duty stations.
- These duty stations would effectively become technical hubs that country offices can access based on their needs and requirements. The job descriptions of these technical staff will be amended to clarify that their primary function will be to support country-level actions guided by CPFs, sub-regional and regional priority frameworks, and higher level strategic frameworks of the Organization.
- b.4 Current Sub-regional Offices will become technical hubs in the sense that they will no longer have a strict sub-regional coverage. Country offices could thus access technical support from any of the technical hubs located in the region.

**c) In general:**

- c.1 The technical skills and resources in different regions will be strengthened to provide improved/enhanced technical support to countries. Programmatic adjustments will facilitate integrated programme planning, operations and resource mobilization support. Administrative support for procurement, human resources management and finance will be established at the regional level and strengthened.
- c.2 Transfer of functions and associated resources that are within the authority of Management will be implemented over the 2012-13 biennium.
- c.3 Human resources will be used more efficiently and effectively through, among other things, the introduction of the new mobility policy in 2012, to increase greater exchange of experiences between headquarters and decentralized regional offices. In addition, the new competency framework will help clarify expectations and define staff development needs, as well as provide a sound basis for consistent and objective performance standards and competency-based recruitment. It will also assist in strengthening the performance appraisal process.
- c.4 Increased flexibility will be provided to decentralized regional offices through enhanced use of non-staff contractual instruments, increased recruitment of national experts, junior professionals, volunteers, South-South Cooperation experts/technicians. In addition, the Organization will expand its agreements with national and international universities and research centres for the provision of fellows/volunteers.
- c.5 FAO Country Representatives, ADG/Regional Representatives and Subregional Coordinators will be empowered to undertake more operational responsibilities, which will

- require a higher level of delegated authority and training, especially with regard to procurement, as well as improved integration with corporate financial and administrative systems.
- c.6 Guidelines for the provision of administrative and operational support (AOS) to projects, and the allocation of project support cost recoveries, will be reviewed to ensure that decentralized offices have the flexibility and operational capacity to provide AOS services to projects that they support.

***(iii) An integrated model for programme delivery***

13. Integrated programme management is required to ensure results and accountability in a coherent manner for all FAO's programmes and projects at the country level. This includes the integration of development, emergency and rehabilitation activities. The responsibility, management and accountability for operations related to emergency and rehabilitation activities will be transferred from the Director, Emergency Operations and Rehabilitation Division (TCE), to the decentralized offices, under the overall authority of ADG/Regional Representatives. Following this transfer, the role of the Emergency Operations and Rehabilitation Division will shift from operational management to one of policy development, global coordination, provision of upstream support, resource mobilization and monitoring and reporting of the emergency and rehabilitation activities of the decentralized offices. This requires the building of capacity in the field for delivering one integrated emergency, development and policy assistance programme under a single authority, together with the necessary operational and accountability framework. The target date to complete the roll-out of this new management model is June 2013.

***(iv) Risk, monitoring and oversight***

14. The extent and scope of the process of change outlined above will have a major impact on FAO's operations and effectiveness, and implementation will imply financial, reputational and operational risks which cannot be underestimated. Recent assessments and evaluations have identified some of the most important of these risks and challenges associated with decentralization and these have been brought to the attention of the Members together with proposed measures (see for example CL141/15). Some of the most critical risks and challenges relate to how to determine the optimal scale and scope of the country offices network, ensure an adequate level and allocation of core resources and income for decentralized regional offices in line with their expanded responsibilities, and reap the synergies between the Organization's emergency and development work – proposals on these issues are contained in this paper. Building on the findings of recent reports by the FAO Inspector-General on financial management and administration (AUD 2811), and on decentralization of reform activities in field offices (AUD 3711), the Organization will address the weaknesses which undermine the capacity of country offices to manage operations. It will do so by ensuring that decentralized regional offices are staffed with well trained individuals, with the skills mix and experience required to manage a complex programme. Common characteristics of well performing offices are now clearly understood: adequate staffing and funding for posts; leadership and "tone at the top"; commitment to competence and real-time response to policy opportunities; and information and communication. Strong and reliable communication and information will also be pursued in connection with the implementation of the Culture Change Strategy. Furthermore, the virtualization of FAOs work and the increase of responsibilities to decentralized regional offices will increase the exposure of key FAO financial, administrative and technical processes to the risk of disruption in the event of a natural or man-made disaster or crisis. Such risks are addressed in the FAO Business Continuity Framework Plan (BCFP) developed in 2011 and to be implemented in 2012.

15. The current administrative and operational structure, including programme monitoring and oversight of activities in the region, sub-region and countries, has evolved over the years as different functions were incrementally decentralized. For example, field programme operations were decentralized a decade ago, a Shared Services Centre hub was established in 2008, and since 2010 the

Technical Cooperation Programme (TCP) and country offices network support and monitoring responsibilities have been delegated to the regions. This decentralization experience is the focus of a series of ongoing or planned regional-level evaluations, of which an evaluation of the Near East Region has been completed. It appears from the evaluation that while there have been clear benefits, there have also been problems of incremental changes leading to a fragmented structure that can inhibit the integrated support, management and oversight of field activities. These aspects need to be implemented and managed thoughtfully and carefully.

16. Opportunities therefore exist to make the most effective use of available resources by rationalizing the execution of administrative and operational functions and sharpening the focus towards integrated monitoring and oversight of country, sub-regional and regional programmes. The deployment of a new Global Resource Management System in 2012-2013 will provide all regions with improved tools to carry out delegated functions in managing field operations and supporting decision making. It will facilitate the establishment of an integrated operational unit in the Regional Office covering all field activities in the region, irrespective of the source of funding.

17. In 2012, adjustments will be implemented to strengthen the TCP criteria on meeting priorities in the region, in particular the needs of the countries, in line with the CPFs and regional priority frameworks. This will allow TCP projects to be used more strategically and be upscaled into programmes that have significant national/regional impact and can leverage more resources.

18. To ensure accountability, the ADG/Regional Representative has the authority for the work planning and implementation of the approved Programme of Work and Budget for the Regional Office, technical hubs and country offices in the region. In order to achieve this, the policies and procedures governing decentralized regional office resources management will be reviewed and oversight mechanisms put in place to allow for the necessary flexibility.

### **C. Considerations for the Africa Region**

19. As highlighted in document ARC/12/6, Programme of Work and Budget 2012-13 and areas of priority actions for the Africa region for the following biennium 2014-15, the Organization is undertaking, together with its Members, a thorough strategic review of what it is best placed to provide, working with many other partners, to meet our shared Global Goals. FAO needs to organize its work in order to help Member countries achieve these goals individually at the national level and collectively at the regional and global levels. How FAO applies its efforts will necessarily vary across regions and across countries within a region. This ongoing analysis takes an interdisciplinary approach, focusing on development issues that encompass a number of technical areas. The approach shall be flexible as we move forward, and as the Organization makes choices, we need to consider carefully where it should concentrate its efforts and resources. This longer-term perspective requires major input from the Regional Conferences. In addition, input is required on priorities for the current Programme of Work and Budget. This section of the paper outlines several proposals specific to the Africa Region, and variations within the Region, which may imply adjustments to the current PWB 2012-13.

20. There are several areas where the Africa Region will focus its work. These include:

- Better serving the Emergency/Post Conflict/Transitional Countries as well as Low-Income Countries through an integrated approach tailored to their specific needs.
- Restructuring FAO Country Offices in Lower-Middle Income Countries enhancing greater collaboration between neighbouring Countries and other UN Agencies, and empowering national capacity;
- Enhancing the role of Upper-Middle and High Income Countries with a focus on liaison functions including improved collaborative partnerships, technical assistance and knowledge sharing.

21. The proportion of undernourished people in sub-Saharan Africa has fallen from 31 percent of the total population in 1990-92 to 27 percent in 2006-08 and a number of countries such as the

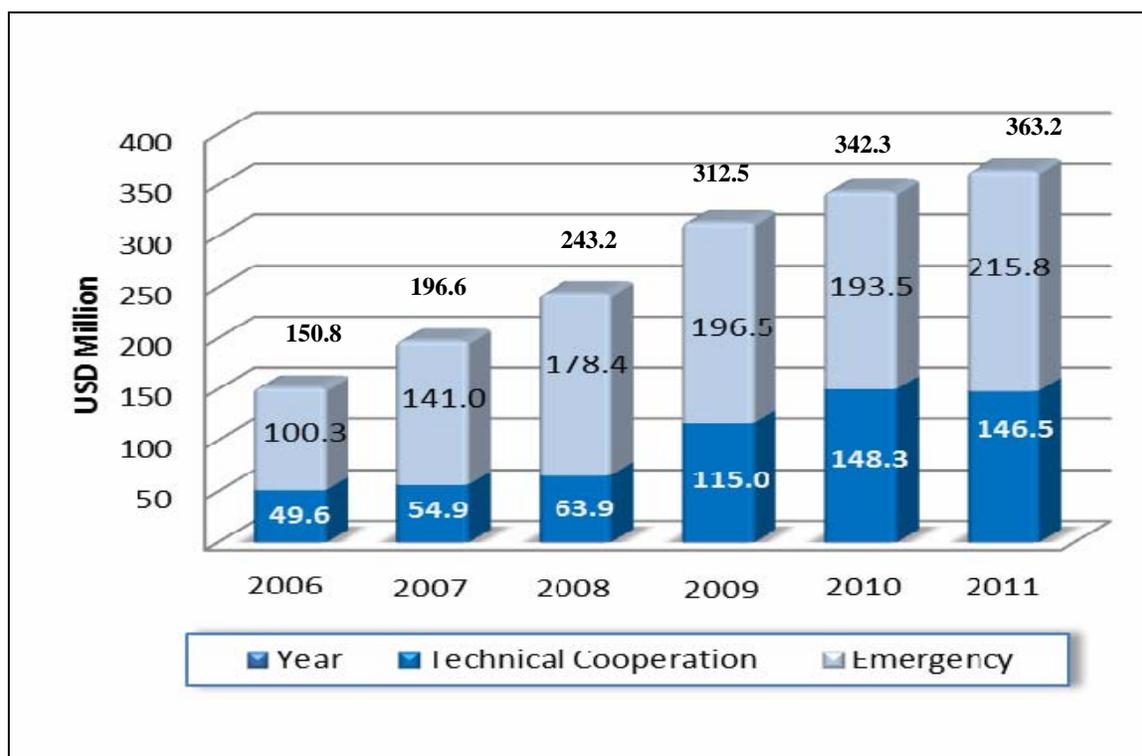
Republic of Congo, Ghana, Mali and Nigeria are poised to meet MDG 1 on halving the proportion of hungry by 2015. However, despite this progress, the total number of undernourished people rose by 51.6 million people from 165.9 million people in 1990-92 to 217.5 million people in 2006-08 (FAO 2011).

22. Overcoming the problem of hunger in Africa will require addressing some of the new challenges that have emerged in recent years. These relate to increased pressure on land and water due to population growth and urbanization, international food price volatility, slower overall global economic growth, climate change and more frequent natural disasters. In this context, FAO will work with Member countries to improve the productivity and competitiveness of the agri-food system in order to reduce and stabilize the real price of food for urban consumers while, at the same time, strengthening livelihoods of smallholder producers and rural populations in order to generate sufficient food, income and employment. Particular emphasis will centre on improving food and nutrition security and strengthening the resilience of millions of people at risk in the Horn of Africa and in parts of the Sahel where millions of people are challenged to meet their most basic needs.

23. For the majority of countries in the region, FAO's programme of work will focus on strengthening the capacity of governments, regional and subregional organizations and diverse stakeholders providing them with sound policy advice, transferring knowledge, enabling them to translate policies and programmes into concrete actions, strengthening institutional capacity and promoting innovative forms of cooperation. The development of effective models for linking CAADP Compacts and investment plans that can provide a basis for changes in policy and budget processes and promote innovative financing mechanisms will be a particular point of emphasis.

24. Considerable efforts and interventions have been undertaken by FAO in the Africa Region in the last 5 years and, in this regard, it is noteworthy to observe that, overall, the field programme delivery for the Africa region has increased by 85% since 2007, with the majority of the increase occurring through technical cooperation projects (166% increase in delivery) compared to a 53% increase in emergency projects (Figure 1).

**Figure 1: FAO Annual Field Programme Delivery in Africa Region –Emergency Assistance and Technical Cooperation 2006 – 2011.**



### *FAO's Presence, Structure and Functioning in the Africa Region*

25. During the 26th ARC held in Angola in 2010, it was requested, inter alia, that the special needs of the African Region be kept in mind and that a strong network of Country Offices, which was essential to meet these needs, be provided.

26. The Decentralized Offices (DOs) Network in the Africa Region currently comprises a Regional Office (RAF), four Sub-regional Offices and 36 fully-fledged Country Offices. In addition, 11 countries are served by other types of representation (see paragraph 29 below). The Regular Programme (RP) currently funds a total of 475 Staff, comprising 183 Professional posts (including 36 FAO Representatives 81 National Professional Officer posts in the Country Offices) and 292 General Service posts (including 230 in Country Offices). The budgeted cost of the regular programme posts in 2010/11 was USD 15.2 million for the Regional Office staff, USD 24 million for Sub-regional Offices, and USD 48.6 million for the Country Offices network.

#### **2010-11 Regular Programme Resources**

Office	Biennial RP Budget		Staff		
	(USD '000)	%	Prof	GS	Total
RAF (Regional Office)	15,199	17%	24	39	63
SFC (Subregional Office)	5,234	6%	10	3	13
SFE (Subregional Office)	6,062	7%	11	6	17
SFS (Subregional Office)	6,812	8%	12	9	21
SFW (Subregional Office)	5,826	7%	9	5	14
RAF (FAOR Network)	48,646	55%	117	230	347
<b>Total Africa</b>	<b>87,779</b>	<b>100%</b>	<b>183</b>	<b>292</b>	<b>475</b>

27. **The Regional Office.** As in other regions, the Regional Office for Africa (RAF) is responsible for identification of regional priorities, and the planning, implementation, monitoring and reporting of FAO's response to the priorities of Members in the context of agreed corporate Strategic Objectives. It also facilitate the policy dialogue with Regional Bodies such as the African Union (AU), the New Partnership for Africa's Development (NEPAD) and various Regional Institutions. In addition, it provides technical, administrative and operational support to the Sub-regional Offices (SROs) and the Country Offices (COs). There are currently 24 Professional and 39 General Service posts in RAF. RAF is undertaking a review of its structure and has formulated a new institutional structure by creating multi-disciplinary teams. The staff skills mix had also been kept under review with staffing and structure being progressively aligned to emerging needs and priorities.

28. **The Sub-regional Offices.** The Africa Region has four Sub-regional Offices: the Sub-regional Office for Central Africa (SFC), which is based in Libreville (Gabon) and covers 8 countries of Central Africa; the Sub-regional Office for Eastern Africa (SFE), which is based in Addis-Ababa (Ethiopia) and covers 8 countries of Eastern Africa; the Sub-regional Office for Southern Africa (SFS), which is based in Harare (Zimbabwe) and covers 16 countries of Southern Africa; and the Sub-regional Office for West Africa (SFW), which is based in Accra (Ghana) and covers 15 countries of

West Africa. The SROs work as sub-regional hubs for the countries in the sub-regions and lead FAO's response to priority areas in the sub-regions in close collaboration with sub-regional organizations. Sub-regional Coordinators are accredited respectively to the countries where the SROs are hosted. The Sub-regional Offices are the first port of call for technical assistance to the countries in the sub-region.

29. **The Country Offices Network.** Country Offices lead the country level planning, resource mobilization and implementation of FAOs programmes and activities; through partnerships with government, UN, civil society and private sector. They lead the formulation of the Country Programming Framework (CPF), coordinate the preparation and implementation of FAO's programmes including Country Work Plan and act as Budget Holder for projects. The Organization is progressively granting increased delegation of authority to Country Offices to respond to emergencies. The 36 fully fledged offices comprise, under Regular Programme funding, 36 international professional posts along with 81 National Professional Officers and 230 General Service staff. In addition, four COs are co-located with the SROs, three countries are covered through double accreditation (Sao Tome and Principe, Botswana, Swaziland), one country is covered by an Outposted Technical Officer (Equatorial Guinea) and three countries are covered through Multiple Accreditation (Mauritius, Comoros, Seychelles) with a resident National Correspondent.

30. A renewed effort by FAO to address the issues of food security in the region requires stronger support, particularly at country and sub-regional level, to ensure that the Organization's knowledge can help and guide government interventions. While this will require more funding than can be currently allocated, the first step is clearly to make the best use of those human and financial resources that are currently available within the Region. This may come from extra-budgetary funds, AOS resources, outposted technical officers, secondments or other agreements with collaborating agencies, or from RP cost savings from Functional Objectives X and Y. As set out below, this will require a strong planning and priority setting process; a more flexible approach to the network of offices in the Region, with a new balance between the Regional Office, the current four Sub-regional Offices, technical staff located elsewhere, and Country Offices; and an integrated model for programme delivery where the Organization's knowledge and resources are made available in a synergistic and multidisciplinary manner to Members.

*(i) Improved Planning and Priority Setting*

31. Greater focus and coherence of FAO actions requires the need for improved planning and priority setting and resource mobilization as well as a country level priority setting that is well linked bottom up with FAO's sub-regional, regional and corporate strategic actions through the result-based programming and budgeting process. For the envisaged bottom up planning at country, sub-regional and regional levels, the priorities of the region have to be based on an assessment of the ongoing regional trends in consultation with the sub-regions, the Regional Economic Communities and the Regional Technical Commissions, taking into consideration the global goals and strategic objectives of FAO.

32. In the Africa context, shaping a good strategy to have impact on a sustainable agriculture development in different contexts will require addressing a number of key challenges including how to raise agriculture productivity, how to lower transport costs, how to promote increased rural employment, how to reintegrate remote and difficult areas into national growth strategies, and how to ensure that future strategies and action are designed and implemented in an integrated manner to better respond to the Countries' needs, promoting, at the same time, the ownership of the processes. The Regional Conference is required to provide guidance on the FAO Priorities towards an effective allocation of resources.

33. The Country's Programme Frameworks CPFs should form the basis of the work with the Government. All countries in the Africa Region have either prepared, and/or agreed with the Governments, a CPF or are in the process of doing so with a target completion date of end-2012. These CPFs are aligned with national priorities and integrated with the work programme of other development partners including other UN system organizations through the UNDAF, and provide a clear roadmap for actions at country level.

***(ii) A More Flexible Decentralized Office Network with Strong Country Leadership***

34. In the Africa Region there are huge variations in the levels of hunger and poverty both among and within countries.

35. As resources are unlikely to increase, it is necessary to be strategic in the allocation of available resources. In particular, staff need to be flexibly allocated to country, sub-regional and regional offices on the basis of the requirements and needs, keeping in mind the size and complexity of the programmes to be carried out. The Decentralized Offices in Africa need the necessary authority to manage and administer the resources and to recruit the staff needed, with full accountability.

36. Furthermore, increased cooperation will be pursued at country level with other UN Agencies as well as with multi- and bilateral organizations, Bretton Woods Institutions, the Private Sector, Foundations and Civil Society Organizations. In Lower-Middle and Upper-Middle Income Countries that can finance their own programmes and projects, FAO can assist in design and execution through Unilateral Trust Fund (UTF) arrangements. Synergy with the Private Sector will be further promoted, as will South-South cooperation to take full advantage of shared knowledge and best practices across countries and regions.

**Roles and structure of Country Offices**

37. While it is not envisaged to close any FAO Representation, a more flexible and demand-driven typology of Offices will need to be put in place. This system will ensure core functionality but with flexibility and adaptability to expand in response to increased operational and administrative support requirements. In order to direct FAO's resources in the most cost effective manner possible to achieve the results called for, the following four categories are proposed for the Africa Region:

- 1) Emergency/Post-Conflict/Transitional Countries
- 2) Low income Countries
- 3) Lower-middle income Countries
- 4) Upper middle / high income Countries

**First category: Emergencies/Post Conflict/Transitional Countries**

38. Closer attention will be given to countries that are or recently went through conflict or other emergency situations to ensure a smooth transition to rehabilitation and to medium- to long term development, while strengthening livelihoods and resilience. Strong collaboration with other UN/Humanitarian Agencies is needed. In this category, it is proposed to maintain Fully Fledged Country Offices with full integration of emergency and development activities, with staff expanded with AOS and Project Staff, depending on the programme size.

**Second category: Low income Countries:**

39. In this group of countries, FAO's activities will be focused on livelihoods, development interventions, institution building and policy advice and strong collaboration with other UN Agencies is needed. In this category it is proposed to maintain Fully Fledged Country Offices with full integration of emergency and development activities, when applicable, with Staff expanded with AOS and Project Staff, depending on the programme size.

**Third category: Lower middle income Countries:**

40. In this group of countries, FAO's activities will be focused on livelihoods and resilience of vulnerable groups. Increased attention for capacity and institution development, policy advice and training, are required. In this category it is proposed to maintain a "core nucleus" of Regular Programme Staff, having a greater level of co-funding or nationally-funded Offices. In addition, it is proposed to strengthen the collaboration between neighbouring Countries and, in this regard, it is

proposed to create “Cluster” Offices, with greater use of national staff and experts. In such cases, it is proposed to renegotiate the Host Country Agreements.

**Fourth category: Upper middle/high income Countries:**

41. In this group of countries, FAO’s activities will be focused on upstream policy advice, advanced technologies and South-South Cooperation. It is proposed a new typology of Office mostly nationally funded or a Joint Office with other UN agencies. In this category, it is proposed to strengthen South-South Cooperation and knowledge transfer, and to build partnerships with the private sector and the civil society. This would result in a mix of functions of a traditional country office and those of a Liaison Office. It is therefore proposed to renegotiate the Host Country Agreements.

42. Nevertheless, FAO core support and assistance will be still provided to these Countries through the Technical Hubs and with Staff expanded through AOS and/or extra-budgetary Posts depending on the needs and on programme size.

43. Special attention will be paid to Low Income Food Deficit Countries (LIFDCs) falling in the above two categories. Depending on resource availability, additional staff will be allocated to the LIFDCs with Regular Programme and/or through AOS and/or extra-budgetary Posts.

**Roles and structure of Sub-regional Offices:**

44. It is proposed that current Sub-regional Offices become Technical Hubs. It is important to have an efficient critical mass of technical expertise, therefore a structure is proposed where technical staff are more "mobile" within the region, able to respond depending on the priorities and needs of countries or groups of countries in the region.

45. The Technical Hubs will serve the entire Region regardless of their location. They will become the effective first port of call for all the technical support to Country Offices for the overall integrated programme. They will be composed by mobile staff (both from the Region and from HQ), “on-call” and not linked to a geographical area.

46. The Technical Hubs will become a stronger and trusted partner with Regional Economic Communities (RECs), such as the Economic Community of Central African States (ECCAS), the Economic Community of West African States (ECOWAS), the Intergovernmental Authority for Development (IGAD), the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC), as well as with other UN Regional Offices.

**Role and structure of the Regional Office:**

47. In order to direct FAO’s support in the most strategic manner possible it is proposed that the Regional Office becomes, within the overall CAADP framework, a stronger and trusted partner in policy dialogue with AU, the United Nations Economic Commission for Africa (UNECA), Regional Technical Commissions and Regional Organizations, and a sound provider of strategic coordination and oversight for all FAO’s work in the region.

48. The Regional Office will carry the responsibility, inter alia, for all integrated programmes in the Region under the single authority of the Regional Representative, in charge of the overall planning, monitoring and coordination of FAO activities in Africa. Moreover, the Regional Office will coordinate major activities in the field of policy, advocacy, information sharing and resource mobilization.

**Liaison Officer:**

49. There are a number of RECs for which there is no FAO officer responsible for liaison or representative functions. It is proposed to strengthen liaison functions with RECs by appointing a dedicated Liaison Officer. Such officers would be the FAO Representative accredited to the country in which the REC has its headquarters, or an officer from the Subregional Offices.

*(iii) A more strategic and functional set-up at Country, Sub-regional and Regional level*

**At Country level:**

50. One integrated programme under the single authority of the FAO Representative requires an adequate logistic and administrative set-up. It is proposed to create, wherever the conditions require it, an integrated operations unit where the operational staff of the country office is merged with the emergency staff to address all operational aspects of the integrated programme. If the portfolio and the size of emergency programme in a given country is big enough, functions such as procurement should be part of the integrated operations unit.

**At Sub-regional level:**

51. It is proposed that the technical staff currently working on backstopping and supporting emergency response in the sub-region be integrated into the SROs/Technical Hubs. This would enhance the capacity of the Technical Hubs to provide support to both development and emergency activities. Such integration could also be physical but only if considered advantageous and feasible.

**At Regional level:**

52. According to the needs, operations backstopping capacities might be reinforced at regional level and provide operational support to field activities in the region, irrespective of the source of funding. The unit will also deal with functions related to the roll out of the newly established Global Resource Management System (GRMS).

*(iv) Resources Mobilization*

53. Resource mobilization takes place more and more at country level; hence the role of the country offices is key. They have to deliver quality work in order to build confidence with Government and donors for mobilizing additional resources. A more conducive environment has to be created. To mobilize resources FAO should continue to promote South-South Cooperation, working closely with countries inside and outside the Region. Partnership agreements with different organizations, research institutions and the private sector will be exploited in order to enhance FAO's technical skills and expertise.

*(v) An integrated Model for Programme Delivery*

54. To achieve coherence of FAO's programmes at the country level all component parts of FAO must function as one under the overall leadership of the FAO Representative. A number of activities previously under the Emergency and Rehabilitation Division are being transferred to the decentralized offices<sup>2</sup>. The plan is to have this new management model in place by mid-2013. It requires good capacity in the Country Offices to be able to run one integrated programme, comprising emergency, development and policy assistance under one authority.

55. FAO Representatives will be the managers and budget holders of all national projects and programmes that will be formulated and implemented in the context of the CPF, thereby ensuring greater synergy and impact. Similarly, for regional or sub-regional emergency projects, the ADG/Regional Representative, RAF and the SRCs are expected to be the budget holders respectively and will act as the immediate supervisor of the former Regional and Subregional Emergency and

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<sup>2</sup> TCE is expected to continue to be responsible for liaison and humanitarian policy coordination, early warning coordination, crisis management, capacity assessment/strengthening/development, advocacy, contribution to strategic planning, overall coordination and monitoring, quality control, humanitarian policy and interagency collaboration, along with capacity to intervene in major (level 3) and cross border emergencies.

Rehabilitation Coordinators. In line with this overall decision, the following actions will be implemented:

56. By Mid 2012, emergency and rehabilitation operations responsibility will be transferred to the FAO Representatives in Somalia, Kenya, Ethiopia, Liberia and Sierra Leone.

57. By Mid 2013, emergency and rehabilitation operations responsibility will be transferred to the FAO Representatives in all other countries, with relevant transfer of capacities.

58. The empowerment of the FAO Representatives to undertake more operational responsibilities will require a higher level of delegated authority as well as improved integration with corporate financial and administrative systems. In order to do this, the following steps have been implemented or are in the process of being implemented:

59. International Procurement Officers (IPOs), working under the responsibility of the FAO Representative, but with functional guidance of the Administrative Services Division (CSA), will be posted in all countries where there are large operations and appropriate resources.

60. The ongoing training programmes on operational and administrative aspects, including procurement, financial systems, and project design and formulation, will be further reinforced. Management and leadership training for Heads of decentralized offices will also continue. Wherever possible, this training will be conducted in collaboration with other UN system agencies.

#### **Cost Implications**

61. The above set of proposals, which aims at enhancing FAO capacity at country level and sub regional level, will have cost implications. These will go for increased mobility, staff training and development and strengthening FAO's support in some offices. As mentioned in paragraph 30, these costs may be covered from extra-budgetary funds, AOS resources, secondments or other agreements with collaborating agencies, or from RP cost savings.

#### **D. Guidance Sought**

62. In considering actions arising from the Vision and Strategy of the decentralized offices network, the Member States have recognized the distinct roles of the Governing Bodies and management in moving forward with the endorsement and speedy implementation of the proposals. 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." (C2011/7, paragraph 158).

63. In line with this guidance the 27th ARC is invited to advise on the proposals to make the Organization work more effectively and efficiently at country and sub regional level through improved planning and priority setting and a more flexible decentralized Office Network with Strong Country Leadership as outlined in paragraphs 34-36 and in particular the proposals:

a) To set-up 4 Country coverage categories: 1) Emergency/Post-Conflict/Transitional Countries 2) Low income Countries; 3) Lower-middle income Countries; 4) Upper middle / high income Countries, as outlined in paragraph 38-43 in order to create different typology of Offices, identifying priority countries, enhancing, at the same time, collaboration, synergies and knowledge transfer. Replacing the existing staffing models with a more flexible, "contextualized" and demand-driven/offer-driven typology of Offices, ensuring core functionality, with the flexibility and adaptability to expand in response to increased operational and administrative support requirements.

b) To create Technical Hubs, as outlined in paragraphs 44-45, in order to have an efficient critical mass of technical expertise, with "mobile" and "on-call" technical staff within the region

across the boundaries. In this regard, specific guidance on the number and the location of the proposed Technical Hubs is sought.

c) To enhance collaboration with the RECs, having a dedicated Liaison Officer, based in the Subregional Office or in the city of their HQs, as outlined in paragraph 49.

d) To create a more strategic and functional set-up at country, sub-regional and regional level, as outlined in paragraphs 50-53.

e) To adopt an integrated approach to programme delivery as outlined paragraphs 54-60.

f) To provide further delegation of authority to decentralized offices ( e.g. higher level of authority in Procurement, Letter of Agreements).

g) to adopt a flexible approach in the allocation of Staff at all levels, according to the needs and priorities.