

# CONFERENCE

**Thirty-eighth Conference**

**Rome, 15-22 June 2013**

**PROGRAMME IMPLEMENTATION REPORT 2010-11**

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### *Executive Summary*

1. The Programme Implementation Report informs the membership about the work carried out by the Organization during the past biennium. As part of the established accountability documents, it provides information on the Organization's operational and financial performance, as planned in the Programme of Work and Budget. It covers resources and activities under the budgetary appropriations voted by the FAO Conference, and voluntary contributions provided by Members.

#### ***Major policy developments***

2. The number of the food insecure in the world, whether through hunger or poor nutrition, is already at an unacceptably high level. During the biennium, the pressures on these vulnerable groups, and the supporting social and economic systems, have increased, because of a variety of factors, in particular food price volatility, climate change and a rising trend in the frequency and severity of disasters, whether man made or natural. FAO has taken action to help its Members meet these challenges.

3. Food prices reached an historic high in January 2011, increasing the vulnerability of poor farmers, consumers and countries to poverty and food insecurity. FAO's response was two-fold. Firstly, it improved the information available on selected sensitive commodities, thereby enabling markets to operate more effectively. Secondly, under the aegis of the € 232 million European Food Facility programme, FAO linked 15 million farmers in 28 countries to markets and financial services, helping to build sustainable and profitable farming practices and thereby increase incomes.

4. FAO's approach to climate change draws on skills from across all of its functional areas. The priority has been to find new ways of improving resilience to the effects of climate change, while contributing to wider development goals, whether at global, regional or local level. Climate-smart Agriculture is an example of an initiative developed under FAO's leadership. It comprises a set of practices, including land use, planning and financing, that be drawn on to meet the specific local needs.

5. As in other biennia, responding to emergencies represented an important part of FAO's work. The Organization has continued to provide assistance on the ground, for example during the 2011 famine in Somalia. This has been combined with developing disaster risk management and promoting best practices, in order to strengthen resilience to such shocks, and establishing, with WFP, the Global Food Security Cluster, as a means of enhancing the coordination, accountability of effectiveness of the food security elements of global humanitarian responses.

#### ***Making a difference: highlights of operational performance***

6. This is the first Programme Implementation Report under the new results-based programme planning, monitoring and reporting system put in place under the Immediate Plan of Action for FAO's Renewal in 2009. The resulting Strategic Framework and Medium Term Plan 2010-13 include a set of Strategic and Functional Objectives to be achieved by Members with assistance from FAO, and 54 Organizational Results for achievement by FAO as measured by indicators and targets. The Programme of Work and Budget 2010-11 is the operational plan for achieving the two-year targets in the Medium Term Plan.

7. The Programme Implementation Report documents the achievement of Organizational Result targets during 2010-11. It is based on a three-stage monitoring and evaluation process: regular *monitoring of work plans* by managers; a *mid-term review* of progress against planned outputs; and an *end-of-biennium assessment* of progress against targets.

8. FAO aims in its work to have an impact on the ground, on people's lives and wellbeing. Examples of these impacts are mentioned throughout this report. Notable examples include:

- a) the eradication of rinderpest - the economic benefits accruing to Africa alone have been estimated at USD 1 billion a year;
- b) leading global food safety initiatives, such as identifying where prevention and control measures can be most effectively applied to combat microbial contamination in food;

- c) reducing deforestation; for example in Mongolia, FAO addressed losses of 400 square kilometres of forests a year through changing people's attitudes; and
- d) empowering women through, for instance, developing community listeners clubs in Niger and the Democratic Republic of Congo.

9. Taking account of lessons learnt during the biennium, the highest priority areas of attention for improved programmatic performance are: i) the development of more effective alliances and partnerships, as a means of increasing FAO's influence and policy reach; ii) a more thorough approach to multidisciplinary, which coupled with good science, reliable statistics and monitoring and evaluation will enable FAO to better meet the needs and expectations of its stakeholders; and iii) investing in capacity building as an engine for lasting improvements.

10. FAO achieved over three quarters of its 174 top level performance targets. 17 percent of the targets were missed, mainly as the result of changes in donors' interests, competing priorities and ambitious targets. Seven percent of the targets were found in practice not to be measurable. This reflects a major lesson learnt from the first biennium under a new results-based framework.

***Managing resources wisely: highlights of financial and administrative performance***

11. Under these conditions, demand for FAO's products and services was strong. The level of voluntary contributions increased compared to the previous biennium, and is the main reason for a rise in total expenditure of USD 550 million (25 percent) in 2010-11 compared to 2008-09. Budgetary management also remained sound, with FAO spending 99 percent of the net budgetary appropriation of USD 1 000.5 million. Good progress continued on improving the diversity of FAO's work force, both as regards gender and geographical representation.

12. The key to FAO's successful performance remains its staff. In order to maximize their potential contribution to meeting FAO's mission, FAO developed and revised its Human Resources strategy, and launched a more rigorous approach to assessing staff performance, introduced a competency framework and developed a revised suite of management training courses. Implementation of the Immediate Plan of Action for FAO's Renewal continued to progress during the biennium, and tangible benefits are starting to emerge. However, further work is required before the full benefits will be realized.

13. Other major initiatives to improve the value-for-money delivered by FAO, included: efficiency savings totalling USD 47.9 million, of which USD 37.5 million will continue into other biennia; and the creation of the Innovation Fund and Multidisciplinary Fund, with funds totalling USD 4.5 million, to promote greater interdepartmental working and the search for greater efficiencies and savings.

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

14. The Programme and Finance Committees are requested to consider the Programme Implementation Report 2010-11 under the new results-based programme planning, monitoring and reporting system, and the Council is requested to:

- a) note achievements of Organizational Results under the Strategic and Functional Objectives, as measured by indicators and targets; and
- b) transmit the Programme Implementation Report 2010-11 to Conference with its observations and recommendations on achievements, operational and financial performance, and report format.

**Suggested action by the Conference**

15. The Conference is requested to endorse the Programme Implementation Report 2010-11, providing such guidance as it deems appropriate.

*About this report*

16. The Programme Implementation Report (PIR) is FAO's primary reporting mechanism to its Members, management, employees and external partners on its performance and achievements. It provides information on financial performance and achievements against Organizational Results. It also identifies opportunities for improved performance in the coming biennium.

17. In approving the Strategic Framework 2000-2019, the Medium Term Plan 2010-13 Programme of Work and Budget 2010-11 and various changes to the Basic Texts resulting from the Immediate Plan of Action for FAO Renewal, the Conference put in place a results-based framework for planning, monitoring and reporting on the Organization's work under all sources of funds.

18. This is the first Programme Implementation Report to be produced under this framework. As such, it builds on the 2010 Mid-term Review synthesis report,<sup>1</sup> which allowed for in-course adjustments in order to achieve the agreed biennial results.

19. The major elements of FAO's results-based approach as set forth in the Strategic Framework (see also *Figure 1*), comprise:

- a) **Three Global Goals** representing the fundamental development impacts, in the areas of FAO's mandate, which countries aim to achieve;
- b) **Eleven Strategic Objectives** contributing to the achievement of the Global Goals;
- c) **Two Functional Objectives** providing the enabling environment for FAO's work; and
- d) **Organizational Results** defining the outcome of FAO's work under each Strategic and Functional Objective.

20. The assessment of FAO's performance over the 2010-11 biennium in the PIR starts with an overview of the major policy developments occurred, and then breaks down into three main sections:

- a) **Making a difference** presents the achievements and outlook for each Strategic Objective and for the supporting Functional Objective on effective collaboration with Member States and stakeholders.
- b) **Managing resources wisely** describes how FAO has sought to improve the efficiency of its internal administration, and includes an analysis of financial performance.
- c) The **annexes** contain supporting information, including the methodology adopted in assessing performance, the implementation of policy on language and geographical and gender representation and a description of outturn against performance indicators and targets for the Organizational Results.

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<sup>1</sup> PC 106/7 – FC 138/6

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**Figure 1: The main components of FAO's strategic framework**

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**FAO's vision**

A world free of hunger and malnutrition where food and agriculture contributes to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner.

**The three Global Goals of Members:**

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

**Strategic Objectives**

- A. Sustainable intensification of crop production
- B. Increased sustainable livestock production
- C. Sustainable management and use of fisheries and aquaculture resources
- D. Improved quality and safety of foods at all stages of the food chain
- E. Sustainable management of forests and trees
- F. Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture
- G. Enabling environment for markets to improve livelihoods and rural development
- H. Improved food security and better nutrition
- I. Improved preparedness for, and effective response to, food and agricultural threats and emergencies
- K. Gender equity in access to resources, goods, services and decision-making in the rural areas
- L. Increased and more effective public and private investment in agriculture and rural development

**Functional Objectives**

- X. Effective collaboration with Member States and stakeholders
- Y. Efficient and effective administration

**Core Functions**

- a. Monitoring and assessment of long-term and medium-term trends and perspectives
- b. Assembly and provision of information, knowledge and statistics
- c. Development of international instruments, norms and standards
- d. Policy and strategy options and advice
- e. Technical support to promote technology transfer and build capacity
- f. Advocacy and communication
- g. Inter-disciplinarity and innovation
- h. Partnerships and alliances

## I. Major policy developments in the biennium

### A. Overview

21. Chronic hunger affects some 900 million people worldwide, and two billion people suffer from micronutrient malnutrition or "hidden hunger". In developing countries, almost five million children under the age of five die of causes related to malnutrition every year. Furthermore, in order to feed a projected global population of nine billion by 2050, the world will need to raise its food production by 60 percent.

22. FAO's contribution to tackling these and other challenges within its mandate is outlined in this report. However, four major developments deserve particular mention at the onset: food price volatility; emergency intervention; climate change; and sustainably increasing food production through "Save and Grow".

### B. Food price volatility

23. Throughout the biennium, fluctuations in food prices continued to hinder efforts to reduce the number of hungry people. January 2011 saw food prices reaching a historic high. Although prices fell somewhat afterwards, it is probable that high, volatile prices would continue, making poor farmers, consumers and countries more vulnerable to poverty and food insecurity. It is also likely that food price volatility will persist over the next decade, due to stronger linkages between agricultural, energy and financial markets, rapid changes in consumption patterns, more frequent extreme weather events and competing pressures on land use.

24. In the longer term, high-food prices may prove to be beneficial, by creating incentives for increased long-term investment in the agricultural sector, and thus contributing to improved food security over time. The short-term effect has been generally harmful, by pricing food out of the reach of the poor, disrupting international trade flows and, in some cases, leading to civil disorder.

25. FAO's response to these developments has focused on two main areas: helping international markets operate more efficiently by providing them better and more timely information and enhancing policy dialogue to identify global responses; and increasing food production in vulnerable areas.

#### *Reducing price volatility through better market information and enhancing dialogue*

26. During 2010, under a G-20 sponsored initiative and together with other international partners, FAO developed AMIS (Agricultural Market Information System). This global agricultural market information system focuses on wheat, maize, rice and soya beans, with the aims of:

- a) enhancing food market outlook information, analyses and forecasts;
- b) strengthening collaboration and dialogue among main producing, exporting and importing countries, commercial enterprises and international organizations; and
- c) building data collection capacity in participating countries.

27. AMIS was established in mid-2011, but is already acknowledged as a significant tool in reducing price volatility. AMIS consists of:

- a) a Global Food Market Information Group, with technical representatives from AMIS member countries;
- b) a Rapid Response Forum, composed of Senior Officials from capitals;
- c) a Secretariat, housed at FAO headquarters, involving nine international and inter-governmental organizations with capacity to collect, analyse and disseminate on regular basis information regarding the food situation and outlook.

#### *Coping with price volatility through increasing production*

28. Between 2009 and 2011, the European Union Food Facility channelled some € 368 million through FAO, IFAD and WFP to boost agricultural production and productivity in countries hardest

hit by the food price and economic crises. The funding received by FAO (€232 million) represented the single largest financial contribution from the European Union. It enabled the Organization to carry out 31 operations in 28 countries, assisting some 15 million people in rural areas.

29. FAO used these resources to link farmers to markets and financial services, help build sustainable and profitable farming practices and create new revenue streams. Lessons learned from this major initiative underscore the importance of focusing on marginalized farmers with high production potential, combining input distribution with extension services, building capacities of smallholder farmers and their communities, rehabilitating rural infrastructures and involving all actors of the value chain in local seed production. With favourable assessments from EU verification missions and independent internal reviews, the European Union Food Facility is one of FAO's outstanding success stories from the biennium, and is likely to continue producing benefits into the future.

### **C. Emergency intervention**

30. As in other biennia, FAO during 2010-11 received a significant amount of resources to tackle agricultural and food security-related emergencies, such as severe flooding which occurred in Pakistan in the summer of 2010, and the earthquake in Haiti. One of the most severe emergencies concerned the drought in the Horn of Africa in 2011 which, at its height, affected 13 million people.

31. FAO alerted the world to the unfolding drought in the Horn of Africa since October 2010, and declared famine in areas of Somalia in July 2011. A Ministerial meeting was organized at the request of the French Government, in its role as President of the G-20, in Rome to call for urgent action to address the underlying vulnerability and to strengthen longer-term resilience. FAO combined the distribution of seeds and fertilizers to Somali farmers with innovative cash-for-work and voucher programmes to increase access to food, protect assets and restore agricultural production and infrastructure. Through the rehabilitation of irrigation canals and other infrastructure, FAO also facilitated the treatment of 2.6 million livestock at risk of diseases and infections associated with drought.

32. FAO continues to respond to other large and localized agriculture and food security emergencies in protracted crisis and countries at risk. FAO has developed a disaster risk management approach and promoted the integration of best practices in emergency programmes, such as farmers and agro-pastoral field schools, conservation agriculture and community-based risk management approaches to build resilient livelihoods.

33. FAO has established in co-leadership with WFP the Global Food Security Cluster to provide enhanced coordination, accountability and effective food security leadership in humanitarian response to the humanitarian community within the Inter Agency Standing Committee.

### **D. Climate change**

34. Drawing on its multidisciplinary strengths in agriculture, forestry, fisheries and aquaculture, livestock, economics, rural development and food security, FAO adopted an integrated approach to climate change adaptation and mitigation. This involved identifying current and potential challenges and assisting its Members, particularly the most vulnerable, to improve their capacities to confront the negative impacts of climate change and associated climate variability, and help identify ways to maximize any opportunities that may emerge. FAO places particular importance on identifying opportunities and practices that have potential to increase resilience of farmers and their farming systems through practices which adapt to, and help mitigate climate change while at the same time contributing to development goals.

35. The Organization's work on climate change adaptation and mitigation covers a broad spectrum of activities which range from local to global and from immediate actions to long-term strategies for dealing, and it is committed to an ecosystem approach to production of crops, forestry and fisheries.

36. Core principles that guide FAO's work on climate change include:
- a) integrating climate resilience objectives into food security and development planning across all sectors;
  - b) seeking an agro-ecosystem approach that builds on synergies among sustainable food production, increased resilience to climatic changes and reduced impact on climate change;
  - c) working on a demand-driven, location-specific and participatory manner, considering gender-specific needs, as well as priorities of indigenous and other vulnerable communities including pastoralists;
  - d) addressing adaptation and mitigation as an ongoing social learning process that integrates local and scientific knowledge;
  - e) promoting synergies between international conventions and agreements on climate change, desertification, biodiversity and forestry.

37. These interdepartmental and inter-organizational efforts have borne fruit in the area of Climate Smart Agriculture, an initiative developed under FAO's leadership. This initiative seeks to sustainably increase agricultural productivity and incomes, building resilience of ecosystem and livelihoods to climate shocks and variability, and reduce and remove greenhouse gases through the adoption of climate smart management practices, integrated land use planning and financing for agricultural development. It is based on a principle of site specificity – the priorities and practices for climate smart agriculture will vary from place to place. However, there is a broad need to identify the ways in which climate change affects agricultural development and management strategies within the larger context of sustainable agricultural development – including the need and costs of adaptation, as well as the potential and values that can be obtained from mitigation.

38. Building innovative financing mechanisms to link climate adaptation and mitigation financing with agricultural development and food security funds is an important component of Climate Smart Agriculture. Leveraging private investments through the establishment of appropriate public sector incentives and funds is part of the innovative approach, as is the establishment of financing to support long-term transitions.

39. Another major effort is the UN-REDD Programme (the United Nations Collaborative initiative on Reducing Emissions from Deforestation and forest Degradation in developing countries). A joint programme of FAO, UNDP and UNEP, FAO provides leadership in supporting more than 40 countries in their efforts toward REDD+ readiness and the sharing of global knowledge and experience, using FAO's established expertise in forest and other natural resources monitoring and governance, and in technical aspects of sustainable resources management.

#### **E. Sustainably increasing food production through “Save and Grow”**

40. In 2011, FAO developed and launched the "Save and Grow" approach for the sustainable increase of food production by the world's poor. This initiative targets smallholder farmers and their families in developing countries - some 2.5 billion people. The aim is to help them by working with governments to build enabling environments to sustainably optimise crop production, by introducing greater ecological intensification and efficiencies. These should help farmers increase productivity and improve their livelihoods at the same time as reducing the impact of agriculture on the agro-ecosystem. Soil health and fertility, water use, locally-adapted varieties and preventive plant protection measures are some of the key elements covered.

41. But the Save and Grow approach is not a magic bullet – or a “one-size fits all” technology recommendation. Rather it relies on well-informed and trained farmers applying and adapting a range of methods specific to local agro-ecosystem conditions. In addition, it is recognised that just being good for the environment is not a sufficient motivation – if more sustainable approaches are to be adopted, farmers must see direct benefit in terms of increased yield, and/or net income, or reduction in work needed (for instance for land preparation or weeding).

42. In some parts of the world overuse of external inputs, such as fertiliser, damages the agro-ecosystem without providing any benefit in terms of yield increase. In such circumstances more targeted use is a win-win situation – the farmer benefits by economising on the cost of fertiliser, while the side effects of fertiliser overuse, for instance on water quality, are reduced. In other cases, pesticide over-use can aggravate, rather than solve, pest problems; here greater emphasis on natural pest control can restore balance in the production system.

43. *Save and Grow* practices include conservation agriculture, forms of precision farming based on site specific analysis of water or nutrient needs, integrated pest and weed management, selection of appropriate varieties and crop rotations, harnessing of ecosystem services provided by on-farm biodiversity such as pollination and other technologies, in order to protect soil structure and health, reduce reliance on pesticides and fertilizers, and reduce the ‘footprint’ of agriculture. Trials have shown that these and similar practices can help to reduce crop water needs by 30 percent and energy costs of production by up to 60 percent. As soil health is restored and other ecosystem functions restored, significant yield increases are seen.

44. Under this approach, the role of government is to create the right environment to encourage smallholder farmers to adopt more sustainable practices. Transitioning to sustainable crop production intensification will require better management of agricultural production systems, with more attention to building human, social and natural capital than has been true in the past. Governments may invest in developing the capacity of farmers and extension workers, in improving the articulation between research and farmer needs, and in technology development and adaptation. Mechanisms to assist smallholder farmers meet quality and quantity requirements of markets may need to be built. Sustainable practices usually require farmers to take a long term perspective – so appropriate land tenure regimes are essential, if farmers are to make the effort needed to maintain soil health and fertility. Countries are already undertaking pilot projects on integrated sustainable production in several regions of the world, with tens of thousands of farmers per country involved. What is now needed is for governments to pursue sustainable intensification objectives to create the right policy frameworks to support this effort at a national scale.

## II. Making a difference

### Overview

#### *Introduction*

45. This section sets out FAO's achievements under each of its 11 Strategic Objectives, as well as its effective collaboration with Member States and stakeholders under Functional Objective X. Achievements relating to efficient and effective administration under Functional Objective Y are reported in the section on Managing Resources Wisely.

46. The achievements are set in the context of the trends and challenges addressed by each objective and FAO's response aimed at achieving outcomes at the level of Organizational Results. The description of achievements should be read in conjunction with the tabulation of outturn against indicator targets in *Annex 5* of this report.

47. There are three main lessons learned from implementation of the PWB 2010-11 the need to develop more effective alliances and partnerships, as a means of increasing FAO's influence and policy reach; using a multi-disciplinary approach, coupled with good science, reliable statistics and monitoring and evaluation, to better meet the needs and expectations of FAO's stakeholders; and investing in building capacity as an engine for lasting improvements, including by helping others to find sustainable solutions.

#### *Outturn against targets: highlights*

48. In total, FAO achieved over three quarters of its 174 performance targets at the level of Organizational Results (see *Annex 4*, and the summary analysis in *Figure 2*).

49. FAO missed 29 of the 174 targets (17%), mainly as the result of changes in donor interests, competing priorities and ambitious targets. The four Objectives with the highest proportion of missed targets were:

- a) SO L ("*Increased and more effective public and private investment in agriculture and rural development*"), which reported meeting two out of 7 targets (29 percent); it did not prove to be cost-effective to collect the intended performance data on the other five indicators.
- b) SO E ("*Sustainable management of forests and trees*") met 11 out of 17 targets (65 percent), due to challenges in mobilizing the planned financial resources, competing priorities, and delays by countries in the uptake of implementing forestry policies.
- c) FO X ("*Effective collaboration with member states and stakeholders*") met 19 out of 28 indicators (68 percent), due to the delayed implementation of supporting monitoring and governance systems, and over-ambitious targets in some cases.
- d) FO Y ("*Efficient and effective administration*") met nine out of 13 targets (69 percent), mainly as the result of low satisfaction rates with corporate policies and organizational support. FAO aims to address this by improving corporate policies, in particular the areas of Human Resources management, recruitment, and geographical and gender representation.

50. Twelve of the indicators (7 percent of the total number) were found in practice not to be measurable because of over-optimistic assumptions at the planning stage about the cost of collection, the timeliness of the data and its availability, and the absence of baseline data. FAO will address these weaknesses in its performance indicators in the course of the 2012-13 biennium, with a view to providing a sounder basis for corporate performance management and reporting in the next version of the Medium Term Plan, Programme of Work and Budget and Programme Implementation Report.

*Figure 2: FAO's performance in meeting performance targets at Organizational Result (OR) level*

Strategic/Functional Objective Name	Number of Indicators at OR level	Number of Indicators with targets met	Number of Indicators with targets not met	Number of Indicators not measurable	Achievement Rate per SO/FO
A. Sustainable intensification of crop production	15	15	---	---	100 %
B. Increased sustainable livestock production	9	7	1	1	78%
C. Sustainable management and use of fisheries and aquaculture resources	17	15	2	---	88%
D. Improved quality and safety of food at all stages of the food chain	15	12	2	1	80%
E. Sustainable management of forests and trees	17	11	6	---	65%
F. Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	12	11	1	---	92%
G. Enabling environment for markets to improve livelihoods and rural development	9	7	1	1	78%
H. Improved food security and better nutrition	16	14	2	---	88%
I. Improved preparedness for, and effective response to, food and agricultural threats and emergencies	9	7	2	---	78%
K. Gender equity in access to resources, goods, services and decision-making in the rural areas	7	6	3	---	86%
L. Increased and more effective public and private investment in agriculture and rural development	7	2	2	3	29%
X. Effective collaboration with member states and stakeholders	28	19	3	6	68%
Y. Efficient and effective administration	13	7	6	---	54%
<b>Total</b>	<b>174</b>	<b>133</b>	<b>29</b>	<b>12</b>	<b>76%</b>

*Strategic Objective A: Sustainable intensification of crop production*

- 13 new International Standards for Phytosanitary Measures have been adopted (58 in total) and a new strategy for National Capacity Development approved by the IPPC Contracting Parties.
- 3 000 tons of obsolete pesticides were safely destroyed through FAO projects, and a further 18 countries became parties to the Rotterdam Convention.
- The Second Report on the 'State of the World's Plant Genetic Resources for Food and Agriculture' was produced, and subsequently the second Global Plan of Action.

***Trends and challenges during the biennium***

51. The effects of soaring food prices continued to be felt into the biennium, together with greater awareness of the inter-relation between energy prices, biofuel production and food commodity prices. Against this background, and with the number of hungry people remaining at nearly 1 billion, a global consensus began to emerge on the need for a sustainable increase in food production. For example, landmark publications from international institutions such as IFAD and international NGOs stressed the importance of sustainable or ecological intensification of production; the United Nations Commission on Sustainable Development considered a suite of sustainable consumption and production initiatives, including one for sustainable foods systems; and the European Commission adopted similar principles to guide its food security policy. The ongoing reform of the international system of agricultural research has greatly helped the development of new techniques and technologies. Together with an increased focus on plant genetic resources, plant breeding and seed supply systems, these developments have the potential to increase significantly the resilience of agricultural systems to climate change and other shocks.

***FAO's response***

52. FAO's work to achieve the sustainable intensification of crop production has involved promoting and supporting the development of global norms, standards and agreements, and then assisting in their implementation at regional and national levels. In so doing, FAO has concentrated on four areas: 1) sustainable intensification of crop production; 2) reducing risks from transboundary plant pests and diseases; 3) reducing risks from pesticides; and 4) promoting the effective managing of plant genetic resources.

***Policies and strategies on sustainable crop production intensification and diversification***

53. Significant progress has been achieved in developing a policy framework and advocacy materials in support of crop intensification in member countries. The FAO Committee on Agriculture approved a strategy on crop intensification through an ecosystem approach and an enabling environment. Countries from all regions are developing programmes on aspects of sustainable intensification, with a greater emphasis on multidisciplinary approaches. These cover integrated pest and weed management, pollination, soil fertility, water management, use of locally-adapted varieties, conservation agriculture, etc. A comprehensive strategy for Conservation Agriculture in Southern Africa, developed in cooperation with the secretariat of the Southern African Development Community, has led to the adoption of national programmes in two countries and the initiation of programmes in 14 others. Seven countries are working with FAO to identify innovative policies and practice to secure pollination services in agricultural development.

54. Around 15 countries are currently working on policies on diversification of production, including the development of National Horticulture Master Plans, and the Growing Greener Cities initiative supported by policymakers in Africa, while 22 countries endorsed the framework on the promotion of fruit and vegetables (with WHO) to promote nutrition-sensitive agriculture and a horticultural crop-based approach for improving diets and with due attention to gender dimensions. Two major International Symposia were held in the biennium on horticulture, diversification and livelihoods in Africa (in Dakar and Arusha). The First Status Report on Urban and Peri-urban

Horticulture (UPH) in Africa has been produced as a decision support tool to assist countries in optimizing policies, institutional framework and support services for UPH.

*Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced*

55. Substantial progress was made in the development and implementation of International Standards on Phytosanitary Measures – under the International Plant Protection Convention (IPPC) with 13 new standards adopted during the biennium. To facilitate the implementation of the standards, the IPPC Strategy for National Capacity Development was adopted; more than 50 countries were assisted in 2010-11 through regional/national projects to develop their phytosanitary capacities while others benefited under global projects. Also, the Implementation Review and Support System was launched; the official IPPC website was substantially refurbished to facilitate information exchange and communication with other stakeholders; and the Near East Plant Protection Organization, a tenth regional plant protection organization, was formally established with FAO support.

56. FAO continued supporting all 49 countries affected by Desert Locust with on-going data collection, monitoring, and forecasts through the locust information network as well as with targeted training. The information network was expanded to include 10 Caucasian and Central Asian countries. FAO also helped locust affected countries to develop and implement contingency plans, develop communication strategies and strengthen capacity to apply safe environmental measures, including the use of bio-pesticide. Emergency support was also provided to governments to handle locust outbreaks in Georgia, Madagascar and Mauritania.

57. Building on experience with the locusts, FAO is working with countries to prevent and manage other trans-boundary threats to plant health. For wheat rust, a web portal was launched to keep countries informed of technical developments, and technical support was provided to countries in four regions, in partnership with ICARDA. FAO also established programmes at regional and national levels to manage pests and diseases affecting cassava, banana and palm trees in Africa, citrus trees in Latin America and the Caribbean and tomatoes in the Near East.

*Risks from pesticides are sustainably reduced*

58. The development of regional approaches to the harmonization of pesticide registration improved control in the trade and use of pesticides and led to greater cost effectiveness and more efficient use of resources. Support FAO provided to reduce farmers' reliance on pesticides lowered their costs, the risks to the environment and human health and in some cases resulted in increased yields. FAO projects also helped identify and dispose of obsolete pesticide stocks, develop locally applicable solutions to decontaminate pesticide contaminated soil and large volumes of pesticide treated seeds, and safely destroy approximately 3 000 tons of obsolete pesticides.

59. The Rotterdam Convention ensured the continuous reduction of the world's exposure to hazardous chemicals and pesticides and with this reduces in particular the risks to farmers in developing countries from pesticides. This was *inter alia* achieved by the unanimous decision taken by the Conference of the Parties to include another three highly toxic pesticides in the Prior Informed Consent (PIC) Procedure under the Rotterdam Convention. During the biennium, 18 countries joined the Convention leading to a total of 146 Parties by the end of 2011. The Secretariat, which FAO supports, assisted more than 50 countries to implement the Convention's requirements effectively.

*Effective policies and enabled capacities for a better management of plant genetic resources*

60. There was significant progress in advancing the effective safeguarding, management and use of plant genetic resources and seeds. Four more countries became parties to the International Treaty on Plant Genetic Resources for Food and Agriculture. The Second Report on the State of the World's Plant Genetic Resources for Food and Agriculture' was produced by FAO and endorsed by the Commission on Genetic Resources for Food and Agriculture, making possible the preparation of a

new framework on priority activities in the management of plant genetic resources, the renewed Global Plan of Action, was adopted by the FAO Council in November 2011.<sup>2</sup>

61. Countries increasingly recognize the continuum which exists linking conservation of plant genetic resources with plant breeding, seed production and the availability of quality seed adapted to the changing needs of farmers. FAO is assembling a ‘tool box’ which includes guidelines on pre-breeding and plant breeding capacity assessment, seed policy formulation and implementation, seed in emergencies, plus case studies on the development of local seed enterprises.

62. FAO has worked to encourage trade in seeds by harmonizing seed laws and regulations; conserve endangered traditional seed varieties; improve access to quality seed varieties; improve the regulatory control of seed quality and variety release, including supporting the creation of a new regional testing body (the Forum for African Seed Testing); and promoting, in general, the development of seed industries.

### **Protecting endangered crop varieties**

To help farmers throughout the world, FAO has overseen the creation of a system for sharing information on genetic resources for some 65 countries, and promoted the Treaty’s Multilateral System for Access and Benefit Sharing for more than 1.5 million accessions of the world’s most important food crops.

As seed production becomes more commercialized, farmers in developing countries have grown less accustomed to saving their own seeds for planting in the next season. Instead they now rely on buying commercial seeds. As a result, the world is relying on a narrowing range of plants to feed it; 12 species currently provide 80 percent of all of our food needs, and barely 150 species are under cultivation. This dwindling genetic base creates a potentially significant risk to the world’s food supply.

The Multilateral System is the result of long negotiations amongst Member countries. In 2001, the International Treaty on Plant Genetic Resources for Food and Agriculture was adopted. The 2010/11 biennium saw the roll-out of 11 projects to support the sustainable use of crop diversity from the Treaty’s Benefit Sharing Fund.

### ***Outlook and lessons learnt***

63. Increasing crop productivity and quality in a sustainable manner remains critical to improving food and nutrition security, rural development and livelihoods and the efficiency with which resources are used to these ends. However, this requires good scientific analysis and advice.

64. FAO’s successes in this area have resulted from adapting new technologies to meet local needs. This has been achieved when FAO has supported local farmers to act as innovators, helping to define the research agenda, test and modify technologies, interpret results and adopt new methods in their fields.

<sup>2</sup> The SOW-2 report is available at <http://www.fao.org/docrep/013/i1500e/i1500e.pdf>; the Second Global Plan of Action for Plant Genetic Resources for Food and Agriculture at <http://www.fao.org/docrep/meeting/024/mc220e.pdf>

*Strategic Objective B: Increased sustainable livestock production*

- Freedom from rinderpest was declared.
- A long-term programme for prevention and control of transboundary animal diseases, including highly pathogenic avian influenza, was developed that addresses disease emergence drivers, climate change adaptation, and cross-sectoral and cross-disciplinary communication and programming.
- The Agenda of Action in support of sustainable livestock sector development fostered multi-stakeholder engagement and collaboration.
- Significant country response was received to the Funding Strategy for the Implementation of the Global Plan of Action for Animal Genetic Resources.

***Trends and challenges during the biennium***

65. The demand and global trade in livestock products continues to increase. As a result, the demand for improving livestock production and animal health, including animal genetic improvement in terms of species and breed selection, has increased, as has the pressure on natural resources and the need to address the issues of animal feed availability, quality control and best practices for utilization of feed. While livestock provides the resources for almost a billion people, small-scale producers are finding it increasingly difficult to meet the quality standards required to market their production effectively. The effective control of virulent avian influenza outbreaks and other high-impact transboundary animal diseases, and those with the potential to cross-over to humans, remains a challenge.

***FAO's response***

66. In addressing these challenges to sustainable livestock production, FAO focused on four main areas of activity: preventing and controlling high-impact animal diseases; supporting small scale livestock producers and improving feed availability; implementing the Global Plan of Action for Animal Genetic Resources; and addressing environment impacts of livestock.

*Preventing and controlling high-impact animal diseases*

67. A long-term programme for prevention and control of transboundary animal diseases, including highly pathogenic avian influenza was developed that addresses disease emergence drivers, climate change adaptation, and cross-sectoral and cross-disciplinary communication and programming. Field level support was provided for the programme's implementation.

68. The progressive control of animal diseases of high impact and those of public health concern, such as brucellosis and rabies continued as part of the One Health Agenda. The adaptation of the foot-and-mouth disease (FMD) progressive control pathway framework was undertaken to address other diseases such as peste des petits ruminants and brucellosis, with the overall scope of addressing systems and species rather than specific disease causing agents.

69. Supplementing technical support in combating high-impact animal diseases in the field, tools and guidelines have been developed to support member countries in strengthening their veterinary public health systems and wildlife health services; public awareness campaigns, continuing professional education, inter-sectoral simulation exercises have been undertaken, and laboratory and epidemiology networks established.

### **The eradication of rinderpest**

In June 2011, FAO celebrated along with the rest of the world as rinderpest was officially declared eradicated; the second disease to be so, after smallpox. The benefits of eradication in Africa alone have been estimated at around USD 1 billion per year.

For centuries, rinderpest has ravaged populations of cattle, buffalo and various species of wildlife, threatening the food security of livestock-keeping communities. In response, FAO spearheaded a decade-long programme together with partners to assist countries isolating rinderpest, until finally, in this biennium, the elimination of rinderpest was declared complete after exhaustive searches on three continents for evidence of virus activity.

FAO acted as the coordinating Secretariat and channelled significant technical assistance to countries to help them address outbreaks, and put in place the systems and measures needed to remain free. Although the virus has disappeared, FAO and its partners must remain vigilant, and ensure that rinderpest virus and rinderpest vaccines are properly safeguarded and research conducted following its guidelines.

### *Supporting small-scale livestock producers and improving feed availability*

70. Small-scale producers were a priority focus area for FAO's work on livestock during the biennium. Normative work in this area included producing manuals on rearing young ruminants, assessing quality of animal feed, and on how to gauge success in animal nutrition (together with guidelines and training). FAO also maintained an animal welfare portal to promote the integration of animal welfare issues in the development of solutions for improved animal production. Technical inputs, advice and assistance were provided for projects supporting small scale livestock producers in over forty countries. Furthermore, in order to strengthen the resilience to natural disasters in the livestock sector, over 1 200 individuals have been trained through FAO's train-the-trainer programme in Livestock Emergency Guidelines and Standards.

### *The Global Plan of Action for Animal Genetic Resources*

71. The implementation of the Global Plan of Action for Animal Genetic Resources advanced according to schedule with all major milestones achieved. A range of technical guidelines was developed and used for capacity development in several regions. Co-benefits were sought and collaborations established with related fields and stakeholders along the livestock value chain. Countries revised policies and programmes in line with the Plan of Action. Donors' contributions to Funding Strategy have been very positive, as has the first call of proposals under the Strategy which resulted in valid project proposals from more than 50 countries and regions.

### *Addressing environment impacts of livestock and improving natural resource-use efficiency in the livestock sector*

72. The environmental impact of livestock was addressed with emphasis given to assessing greenhouse gas emissions associated with the sector, using a life-cycle approach, and identifying suitable policy and technology options to mitigate emissions. The assessment was accompanied by an estimation of the mitigation costs and an analysis of policy options.

73. FAO started during 2011 to build the Global Agenda of Action in support of sustainable livestock sector. The aim of the Agenda is to improve the contribution of the livestock sector to safeguarding natural resources. By the end of the biennium, FAO's work had fostered multi-stakeholder engagement and collaboration resulting in decision makers changing their practices.

***Outlook and lessons learnt***

74. FAO's experiences during the biennium indicate that continued progress to increase sustainable livestock production will depend on strategies that incorporate the following elements:

- a) Partnerships with national authorities, UN agencies, research organizations, civil society and the private sector provide the opportunity to increase the range, influence and impact of FAO's work and use resources more cost-effectively.
- b) Data analysis and modelling, to improve understanding of the impact of the livestock sector on climate change and natural resource usage, as well as the importance of breed diversity for climate change adaptation, and to identify areas for the development of technical guidance and direct assistance in prevention, early response and the generation of risk management strategies for animal diseases.
- c) Multilevel, multidisciplinary working, translating global strategies into national, subregional and regional programmes, especially by following the One Health approach where effective action will require input from the veterinary, public health and environment sectors.

*Strategic Objective C: Sustainable management and use of fisheries and aquaculture resources*

- The State of World Fisheries and Aquaculture 2010 stimulated debates about the status of global fisheries and aquaculture.
- Technical support delivered through more than 100 field projects in 60 countries.

***Trends and challenges during the biennium***

75. The fisheries and aquaculture sector plays an important role in human nutrition, the fight against hunger and poverty and more generally in economic development. The demand for fish and fishery products continued to grow, but overfishing, pollution, habitat loss and climate change have made the oceans one of the earth's most threatened natural systems. Priorities consequently involve recovery of wild resources, stabilization of existing supplies, and increasing development of sustainable aquaculture. Meeting these priorities requires effective governance, management and conservation of fisheries and aquaculture resources, and the health, biodiversity and productivity of ecosystems supporting fishery resources and fish production.

76. However, the threats are considerable, and include: weak governance policies and management options; fleet overcapacity and illegal, unreported and unregulated fishing; the vulnerability of inland fisheries and ecosystems to human activities; the marginalization of debate on fisheries and aquaculture at global, regional and national levels, because of emerging issues, such as climate change and environmental concerns; and the sustainable management of fisheries and marine biodiversity in areas outside national jurisdictions, which comprise 64 percent of the surface of the oceans and nearly 95 percent of its volume.

***FAO's response***

*Advocating improved governance policies and sustainable management in use of fisheries and aquaculture resources*

77. FAO increased its advocacy with member countries through normative work and field activities, the FAO Committee on Fisheries and the Sub-Committees on Fish Trade and Aquaculture and the Committee's Bureau. Furthermore, the State of World Fisheries and Aquaculture 2010 was well received with extensive uptake in the media and it was recognized as having provided a basis for debates about the status of global fisheries and aquaculture.

*The Code of Conduct on Responsible Fisheries and related instruments and strengthening national regulatory frameworks*

78. Support was provided for the implementation of the Code of Conduct for Responsible Fisheries and related instruments and for strengthening national regulatory frameworks that call for the effective management and conservation of fisheries and aquaculture resources, as well as for ensuring the conservation of aquatic biodiversity and the health and productivity of ecosystems supporting fishery resources and fish production. Practical implementation of the ecosystem approach was expanded with a view towards ensuring good management of fisheries and aquaculture. Through networks and extrabudgetary funding, support was provided to member countries in their work on post-harvest issues.

79. The Port State Measures Agreement was adopted and the development of an agreement on flag state performance initiated. The Central Asian and Caucasus Regional Fisheries and Aquaculture Commission was established as a new regional fishery body. Progress was made in the development and adoption of standard concepts and classifications for monitoring management of the fishery and aquaculture sectors, *inter alia* setting global standards for aquaculture data collection, and the revision of fishing gear classification which was then adopted for reporting on the Port State Measures Agreement to prevent illegal, unregulated and unreported fishing. International guidelines on bycatch management and discards were successfully negotiated through FAO mediated Expert Consultations and Technical Consultations. The development of international guidelines for small-scale fisheries is

underway to support Members' governance and management of this very important, but problematical sector.

*Sustainable management of fisheries and biodiversity in marine areas beyond national jurisdiction*

80. FAO took the lead in the five-year marine areas beyond national jurisdiction programme initiated by the Global Environment Fund. This programme comprises four projects which bring together governments, regional management bodies, relevant private sectors and industries and non-governmental organizations, World Bank, UNEP, WWF, Governance Ocean Forum and others to promote the sustainable use and conservation of the biodiversity and ecosystem services.

**Minimizing the impact of natural disasters on fisheries**

Through the Global Partnership for Climate, Fisheries and Aquaculture, FAO has been working with governments around the world to integrate fisheries and aquaculture into disaster risk management and climate change adaptation strategies. The partnership, comprising over 20 international organizations and sector bodies, works to limit climate change impacts on global waters and living resources, as well as their social and economic consequences.

The number of natural disasters has increased several fold since 1975, with events of hydro-meteorological origin constituting the large majority. Fishing communities are particularly vulnerable. This is why in countries like Cuba, FAO is not only helping to strengthen the production capacity in the aquaculture sector, but also developing means to counteract future hurricanes.

During the last biennium, FAO's work on the Cuban Isle of Youth comprised training workshops on breeding techniques, the provision of laboratory equipment, as well as the creation of new jobs. 300 men and women in production cooperatives benefited directly, with 89 000 inhabitants of the Isle of Youth benefiting indirectly from the increased availability of nutritious food, all for under USD 200 000.

*Information and knowledge sharing*

81. Aquaculture policy debates were enabled through a ministerial meeting and two global conferences while technical support was delivered through numerous workshops and publications, as well as through more than 100 field projects in 60 countries.

*Outlook and lessons learnt*

82. Key priorities for future work on sustainable fisheries and aquaculture is expected to involve: active involvement in, and support to the Rio +20 process; better prioritization of FAO's work in this area; continued advocacy for the Code of Conduct for Responsible Fisheries, including for its resourcing; advancing sustainable aquaculture; and active cooperation with other agencies and stakeholders.

*Strategic Objective D: Improved quality and safety of food at all stages of the food chain*

- The capacity of developing countries to participate effectively in the work of the Codex Alimentarius Commission was strengthened.
- Independent, timely and high quality food safety and nutrition scientific advice for standard setting was provided, and a four-year strategy for the provision of scientific advice for food safety was outlined.
- FAO supported the development of national capacities for evidence-based food control and dietary assessment.
- The EMPRES-Food Safety Programme has played a critical role in strengthening countries resilience to food safety emergencies.
- The FAO/WHO network of national food safety authorities has played a critical role in communicating and issuing global rapid alerts.

***Trends and challenges during the biennium***

83. The fundamental role of Codex Alimentarius in global regulation of food safety continues to drive international interest in ensuring effective participation of developing countries in the Codex Alimentarius Commission, as well as the timely availability of independent scientific advice to underpin decisions on standards taken in the Commission. The nature of the scientific advice required is changing due to the need to increase the speed at which international standards are established and to the evolving nature of some of the risks. The increasing demand for scientific advice on nutrition is driven by the rise in diabetes, cardiovascular diseases, and diet-related cancers worldwide. Renewed international commitment to addressing problems of food insecurity and malnutrition creates an opportunity to focus attention to food safety in domestic markets, given the linkages between food-borne illness and nutritional status.

84. Major food safety emergencies on an international scale have served to focus attention on food safety and the importance of systems to promote effective coordination and information exchange at international level during emergencies. While problems are highly visible when emergencies occur, it is important to recognize that prevention of emergencies through establishing robust national systems of food control is the foundation of global food safety.

85. There is growing international attention on the need to better understand and manage the ever more complex interactions at the interface of human, animal, ecosystems and food (i.e. taking a One Health approach to better achieve the various goals of food safety, plant, animal and environmental health). Increasing private transnational regulation is affecting trade and smallholder access to markets. Other significant trends in the trading environment include the establishment of numerous Regional Economic Communities with associated regional protocols related to food safety and other sanitary and phytosanitary issues.

***FAO's response***

*Strengthening the capacity of developing countries to participate effectively in Codex*

86. FAO continued its focus on strengthening the capacity of developing countries to participate effectively in Codex. The nature of the assistance, however, is changing as countries' needs evolve: there is growing recognition on the part of developing countries that their participation needs to start from the provision of data on which risk assessments are made if their countries' situations are to be truly reflected in the resulting standards. FAO continued to develop the tools and programmes to support this evolution. FAO also maintained its commitment to optimize the utilization of the Codex Trust Fund, which it manages jointly with WHO, in order to achieve the stated objective of enhanced participation of developing countries. Development of a new framework for monitoring and evaluation of its impact was initiated.

*Developing scientific advice on food safety and nutrition*

87. FAO's methodologies and approaches for developing scientific advice on food safety and nutrition evolved to respond to new risks and demands while retaining independence and integrity. FAO outlined a four-year strategy for the provision of scientific advice for food safety (2010-2013) as the basis for seeking necessary resources to support the demand for scientific advice in a timely manner without compromising quality. FAO continued to consult with WHO to operationalize a joint mechanism for developing scientific advice on nutrition.

**Antimicrobial resistance (AMR): a major global public health concern and a food safety issue**

Antimicrobial drugs are essential for both human and animal health. While their use in food producing animals/crops is critical, contributing to the livelihoods of farmers and economic development, this is also an important risk factor for selection and dissemination of AMR microorganisms to humans via food. Balancing the benefits of antimicrobial use with the risks of antimicrobial resistance requires concerted global actions.

Over the past decade, there have been significant developments at the international level with respect to addressing AMR. FAO with partners WHO and OIE, have led the international analysis that underpinned the Codex Code of Practice to Minimize and Contain Antimicrobial Resistance and the Codex Guidelines for Risk Analysis of Foodborne Antimicrobial Resistance which were adopted in July 2011.

However, the success of international efforts is dependent on translation into action at country level. In 2010 FAO, together with WHO and local institutions, pioneered whole food chain studies to assess and quantify microbial contamination and AMR, in order to identify the critical stages at which prevention and control measures could be implemented most effectively. These studies illustrate the importance of locally-led research to generate data to inform and influence national/regional policy to address AMR.

This illustrates the singular role played by FAO in leading global food safety initiatives and in translating these into country level action.

*Preventing and ensuring preparedness for food safety emergencies*

88. FAO has reinforced EMPRES Food Safety, its programme dealing with prevention of food safety emergencies and supporting effective response when emergencies arise. Guidance for national authorities to strengthen emergency prevention and response at national level were developed and the FAO/WHO network of national food safety authorities (INFOSAN) was strengthened. INFOSAN has played a critical role in communicating and issuing global rapid alerts.

*Contributing to holistic approaches to addressing food security and biosecurity*

89. FAO initiated work on utilizing multi-criteria decision analysis techniques to facilitate better consideration of food security impacts and other social impacts associated with options for the development of food control programmes. This will allow decisions on food control strategies and allocation of food control resources to be better informed by the expected impacts on the wellbeing of the population or of selected vulnerable population groups. Ultimately this work will support enhanced commitment of policy-makers to improving systems of national food control.

90. FAO facilitated collaboration and exchange among its technical units involved with "biosecurity" across the food chain to better identify and control the issues that are at the interface of human, animal, ecosystems and food. FAO also was actively involved in tripartite discussions with WHO and OIE on strengthening "One Health" approaches globally. Work was initiated with several regional economic communities in Africa on various aspects of capacity development related to Sanitary and Phytosanitary measures. An informal working group had been formed involving technical units concerned with food safety, animal health, capacity building, and legal issues to ensure coherent and integrated guidance to these bodies.

***Outlook and lessons learnt***

91. The most important lessons learned were linked to the value of internal and external partnerships. Food safety and nutrition are intrinsically multi-disciplinary, with aspects of the food safety and nutrition programmes best strengthened through better inter-divisional collaboration. Cooperation was achieved where there was a convergence of interest in specific activities and clear advantages for collaboration. In relation to external partnerships, internal processes for formalizing such partnerships need to be shortened and simplified.

92. There is broad scope for further improving collaboration across FAO in planning and executing effective programmes to improve nutrition and food safety and quality at all stages of the food chain. There are opportunities to strengthen the synergies between the normative aspects of food safety/quality and nutrition governance, in which FAO's leading role is acknowledged, and FAO's capacity development programme, which allows FAO to play a unique and essential role in this area.

*Strategic Objective E: Sustainable management of forests and trees*

- FAO led the international response to the challenge of forest carbon and forests' contribution to mitigating climate change.
- Assistance was provided to member countries in developing community-based enterprises to generate incomes from wood and non-wood forest products.
- Global Forest Resources Assessments, the Yearbook of Forest Products and the biennial State of the World's Forests continue to serve as major global reference sources for countries' use to support improved forest policies.

***Trends and challenges during the biennium***

93. Global economic difficulties during the 2010-11 biennium had negative and positive impacts on the world's forests. Significantly reduced demand for forest products in some regions resulted in higher unemployment in the forest sector; but the lower levels of global economic activity also reduced pressures to convert forests to other uses, and lessened the negative impacts of global climate change.

94. The Global Forest Resources Assessment 2010 found that the global net deforestation rate was slightly lower in the period 2005-2010 than in the preceding five years. The first global forest resources remote sensing survey tentatively confirmed this positive development. Nonetheless, the future of the world's forests continue to be threatened by forces such as institutional weaknesses in many countries, the increasing global population, and growing demand for wood energy. While there is an abundant supply of wood to meet increasing demand, in specific countries and regions these demands are not being met through sustainable management practices. Over 100 countries have managed to stabilize their forests, however deforestation and forest degradation continue to increase in over 80 countries most of which are developing countries in tropical regions.

***FAO's response***

*Addressing the challenge of forest carbon and mitigating climate change*

95. Much of the current global interest in forests focuses on forest carbon and its contribution to mitigating climate change. Historically there have been no agreed global methodologies or baselines for measuring, reporting or verifying the amount of carbon stored in a given country's forests, and positive or negative rates of change from an agreed baseline. As the international agency with the mandate and expertise in this area, FAO is leading the international response to this challenge.

96. With the UN programme to reduce emissions from deforestation and forest degradation (REDD) growing rapidly during the biennium, FAO played a key role in assisting countries to develop capacity to monitor, measure, report and verify forest carbon. FAO supported numerous workshops and consultations in different regions to appraise countries on the practical steps that need to be taken to participate in potential carbon markets and access new resources to support sustainable forest management. Up to ten countries have started to integrate forestry and climate change policies.

*Promoting income generation from forest products*

97. The global economic downturn and slow economic recovery have been especially difficult in the forest sector. Many forest products enterprises have suffered or ceased to exist, with resulting loss of incomes for forest workers and negative impacts on the economies of forest-dependent communities. In response FAO focused on analysing the causes and results of economic changes in the forest sector, and stepped up programmes promoting the development of small and medium-size forest-based enterprises to take advantage of new opportunities as national and local economies recover.

98. FAO provided assistance to countries in developing community-based enterprises to generate incomes from wood and non-wood forest products, focusing on small and medium-size enterprise

development. Small entrepreneurs were trained and integrated in producer networks, facilitating access to business and financial services and improved marketing of products. Linkages were promoted between national forest programmes and national poverty reduction strategies. Domestic and regional trade and marketing workshops, as well as a successful international conference on the use of wood were organized.

#### *Financing sustainable forest management*

99. Countries have increasingly developed strategies to finance sustainable forest management that are based on domestic funding sources and mechanisms. Consultations and workshops were held in various regions to outline practical steps to access new markets for resources and to use those new resources to support sustainable forest management effectively.

#### *Stakeholder participation in forestry decision-making*

100. Through the support of the National Forest Programme Facility and capacity development by FAO, key countries have increased stakeholder participation in forestry decision making. Through the application of the new FAO guide for effective forest policy development, countries are developing new forest policies in a participatory manner.

101. A highlight of the biennium was the second Asia-Pacific Forestry Week, organized by FAO and hosted by China, bringing together over 1 000 forest practitioners from around the region to focus on an action agenda.

#### **Changing attitudes towards forests**

With the contribution of a six-year programme funded by the Netherlands, provinces of Mongolia have reversed a trend of deforestation and have instigated a significant regeneration of forest areas, with Mongolians now interacting and thinking of their forests in a completely different way.

In the early 2000s, illegal logging, arson, expansion of mining and increasing cattle herds were encroaching into Mongolia's forests and causing losses of 400 square kilometres every year. Yet now, thanks to FAO, forest rangers on horseback patrol the forested hills, maintaining a continuous lookout for scenes that indicate illegal logging activities while checking for forest fires or other disturbances.

The rangers are members of forest user groups, which are allowing local communities to engage more actively and effectively in the management of their forests. FAO helped to establish 16 forest user groups in the five provinces where it works, and trained group members in forest assessment, mapping, management planning and in the marketing of forest products.

Scaling up the initiative to the national level is ahead of schedule, as forest users who are not part of the pilot areas are voluntarily starting user groups on their own, receiving support from experienced forest user groups to establish themselves.

#### *Increased dissemination of forestry information and guidelines*

102. Global Forest Resources Assessments; the Yearbook of Forest Products; and the biennial State of the World's Forests continue to serve as major global reference sources used to support improved forest policies. FAO continues to maintain the world's most-referenced internet site on forestry, and *Unasylva* remains the world's longest-running global journal devoted to forestry.

103. Major initiatives were undertaken to increase the dissemination of FAO's guidelines for planted forests, fire management and forest harvesting. For example, field projects were undertaken to implement community-based forest fire management in Chad, Lebanon, Nicaragua, the Former Yugoslav Republic of Macedonia, Syria, Morocco and Tanzania. *In Search of Exemplary Forest Management in Latin America and the Caribbean* identified 35 examples of good forest management in 20 countries, with lessons shared throughout the region.

***Outlook and lessons learnt***

104. The major impediments in most developing countries have not changed significantly over time, i.e. low levels of budgetary support, insufficiently developed national institutional and human resource capacities for forest management and gaps in governance structures. Future advances in meeting these challenges are likely to comprise the following elements:

- a) supporting capacity development in public forestry institutions by: providing tools to effectively implement, monitor and evaluate forest policies, and to integrate forestry in national development plans; assisting in institutional analysis to identify strengths and weaknesses and areas for improvement; providing tools to assess and monitor the quality of forest governance; supporting efforts to improve communications; and supporting the integration of different forest-related policy initiatives, including climate change and forest law enforcement, governance and trade;
- b) on a policy development level, taking a more comprehensive landscape approach, in order to find more long-lasting solutions to key challenges facing forest management, including fire management and forest health;
- c) developing effective partnerships across all sectors to encourage relevant stakeholders to participate in planning and decisions about forest information, forest policies, forest management, fire management, forest economics and forest conservation;
- d) collecting and analysing information to meet the decision-making needs of member countries; and
- e) strengthening planning and initial research stages for major normative activities, in particular by undertaking user surveys before designing major publications and data collection actions.

105. On a final note, many international organizations request and collect (sometimes overlapping) forest-related statistics. Some progress has been made in reducing the reporting burden this creates; further improvements will require FAO to collaborate with other interested entities in this area.

*Strategic Objective F: Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture*

- Major progress was achieved in the development of a global consensus on responsible governance of tenure of land, fisheries and forests in the context of national food security through the development of “Voluntary Guidelines”.
- Partnership with Rome-based agencies, World Bank, Consultative Group on International Agricultural Research, the UN Environment Programme and the Global Mechanism has led to a broad acceptance of the Climate-smart agriculture concept.
- Technical assistance on strengthening national agricultural innovation systems was provided to 60 countries.
- The State of the World’s Land and Water Resources for Food and Agriculture 2011 produced and published.

***Trends and challenges during the biennium***

106. The biennium saw an increase in the need to improve land and water management to ensure sustainability; address scarcity of land and water resources; ensure responsible governance of tenure of land, fisheries and forests; and ensure the conservation and sustainable use of biological diversity and genetic resources for food and agriculture. The strong demand for information and technical assistance in the field of agricultural research and extension continued to grow. Addressing these concerns resulted in an increased demand for FAO’s services. Progress in assuring recognition of the importance of agriculture as part of the climate change solution has been an important outcome of the biennium’s activities.

***FAO's response***

*Promoting and developing sustainable land management*

107. The publication of “*The state of the world’s land and water resources for food and agriculture*” helped to bring the issue of “systems at risk” into the spotlight. Sustainable land management has received significant attention including the launch of the Global Soil Partnership; the publication of data, tools and methodologies under the Land Degradation Assessment in Drylands programme; and the endorsement of ten national Globally Important Agricultural Heritage Systems. FAO’s Geo-Network geospatial portal was improved, various national land cover databases were completed, and FAO’s standard on land cover classification adopted as the draft international standard. Sustainable land management was promoted at international level, including the UN Convention to Combat Desertification, and at national levels.

*Strengthening capacity to address water scarcity and improve water productivity*

108. Support was provided to countries for strengthening their capacity to cope with water scarcity and improve water productivity. Institutions adopted FAO’s water productivity enhancement tools and approaches, including irrigation modernization and crop water productivity tools; training for the effective use of these tools was provided. Fundamental water data and information on water at country level was maintained through AQUASTAT, FAO’s global information system on water and agriculture. Countries and organizations adopted FAO recommendations related to water accountability and auditing.

109. Technical support was provided to addressing smallholder irrigation, emergencies and transboundary river basins. The Water Platform was established, to ensure internal coordination and information sharing.

*Biological diversity for food and agriculture and the equitable sharing of benefits from the use of genetic resources*

110. Important achievements were realized for the conservation and sustainable use of biological diversity and the equitable sharing of benefits arising from genetic resources. The Commission on Genetic Resources for Food and Agriculture agreed on the “Second Global Plan of Action for Plant Genetic Resources for Food and Agriculture” and the “Funding Strategy for the implementation of the Global Plan of Action for Animal Genetic Resources”. Following the adoption of the Nagoya Protocol, an *ad hoc* intergovernmental working group was established on access and benefit-sharing for genetic resources for food and agriculture.

*Developing and supporting a framework for the responsible governance of tenure of land, fisheries and forests*

111. Major progress was achieved during 2010-11 in the development of a global consensus on responsible governance of tenure of land, fisheries and forests in the context of national food security through the development of “Voluntary Guidelines”. The negotiations of the draft Voluntary Guidelines was based on an inclusive process of regional consultations, civil society and private sector meetings. Members have expressed their support through the Committee on World Food Security and the FAO Council. Countries were supported through the development of guidelines to support improving tenure governance, including "Compulsory acquisition of land and compensation." Technical assistance was provided in the areas of leasing state-owned agricultural land, strengthening land tenure institutions, land consolidation and development of land administration software.

*Addressing emerging environmental challenges such as climate change and bioenergy*

112. The Climate-smart agriculture concept and the FAO-Adapt framework programme represent the achievement of corporate alignment and mainstreaming of key dimensions of sustainable development. At country level, the programmes under UN-REDD, climate change adaptation projects and pilots for the Mitigation of Climate Change in Agriculture programme were implemented. Achievements at international level include support and impact in the United Nations Framework Convention on Climate Change process, where agriculture is increasingly being acknowledged by the negotiations as a key sector for achieving the global goals. Partnership with Rome-based agencies, World Bank, Consultative Group on International Agricultural Research, the UN Environment Programme and the Global Mechanism has led to a broad acceptance of the Climate-smart agriculture concept. The UN-REDD Programme has evolved into a flagship example of One-UN collaboration.

113. Work on energy has resulted in criteria and indicators for bioenergy development and a broader approach to Energy-smart Food.

### **Using innovative approaches to tackle climate change**

With political leaders and major global organizations affirming their engagement to Climate-smart agriculture (CSA) in numerous ministerial meetings, climate change conferences and other international meetings, FAO has demonstrated that by facilitating the global policy debate at the highest level and providing strong technical expertise, substantial resources can be leveraged through partners to fulfill FAO's own mandate.

FAO presented the innovative concept of CSA in 2010 and since then partners and policy-makers have shown great willingness to adopt this timely new approach to development. CSA draws from and consolidates the multidisciplinary work of the Organization related to agricultural sectors, climate change and natural resources management, and acts as a pathway towards development and food security built on three pillars: increasing productivity and incomes, enhancing resilience of livelihoods and ecosystems, and reducing and removing greenhouse gas emissions from the atmosphere.

As a direct result of FAO's normative work on CSA, the Organization has launched a USD 8 million project supported by the European Commission, the Swedish International Development Agency (SIDA), the Mitigation of Climate Change in Agriculture (MICCA) programme and FAO's Regular Programme. The project focuses on four main areas, building on all CSA-related work already carried out. The project is currently being implemented in Malawi, Viet Nam and Zambia, identifying challenges and opportunities for policy on Climate-smart agriculture with the aim of producing strategic plans for each country (<http://www.fao.org/climatechange/73769>).

### *Improved access to knowledge on natural resource management*

114. In partnership with the Consultative Group on International Agricultural Research, the Global Forum on Agricultural Research and the Global Forum for Rural Advisory Services contributed significantly to reshaping the international agricultural research for development system and, by extension, the organization of the Global Conference on Agricultural Research for Development, the CGIAR reform and the proposal and endorsement by the G-20 of the Tropical Agriculture Platform.

115. Improved access to agricultural information was provided through the Access to Global Online Research in Agriculture programme and the global Coherence in Information for Agricultural Research for Development partnership. Technical assistance on strengthening national agricultural innovation systems was provided to 60 countries.

### *Outlook and lessons learnt*

116. The experience of 2010-11 indicated that further success in the sustainable management of land, water and genetic resources and global environmental challenges will require attention in three main areas:

- a) The establishment of partnerships and other collaborative mechanisms with national and international institutions. This proved a key factor in achieving the planned results, for scaling-up activities and disseminating products.
- b) Capacity development activities. When well structured and implemented, these were extremely cost-effective, with very high benefit/cost ratios.
- c) Multidisciplinarity and team work, within FAO and with national institutions and stakeholders, which has enhanced the quality and coherence of programme delivery, ensuring national ownership and sustainability.

*Strategic Objective G: Enabling environment for markets to improve livelihoods and rural development*

- FAO, together with OECD, coordinated the preparation of the International Organizations' report to the G20 on responses to food price volatility.
- The G20's Agricultural Market Information System (AMIS) was established to address market information weaknesses and improve transparency of international food markets.
- Work programmes on smallholder market integration have delivered significant outputs with policy-relevant work in 109 countries.

***Trends and challenges during the biennium***

117. Livelihoods and rural development are affected by the extent to which small producers exploit market opportunities and markets and institutions function efficiently in a changing environment. However, these have been threatened by the continuing food price volatility, the complexities of the possible policy responses (and their potential wider consequences), and the effect of large-scale, international land acquisitions on local stakeholders.

118. These events have focused international attention on the need for reliable and timely market information and analysis, the complexities of policy choices in responding to market volatility and the potential consequences of those choices, and the importance of building resilience in the medium-term through improvement of smallholder productivity, their integration into markets and value chains more generally. These issues were given even greater international recognition by the G20 meeting in 2011 which made price volatility a priority programme.

119. International investments, especially large-scale land acquisitions continued to attract worldwide concern especially over their impacts on local stakeholders. As for international agricultural trade, multilateral negotiations under the Doha Round stalled, but the role of trade policies in responding to food price volatility, regional trade arrangements and the trade policy problems of developing countries continued to be matters of concern.

120. Attention to questions of climate change and its impact on production and trade patterns also increased with consequent increasing interest from countries in appropriate policy responses.

***FAO's response***

121. In addressing these challenges, FAO has focused on four areas of activity: analyses, policies and services for small producers; incorporating rural employment, land access and income diversification in policy development; enhancing the impact of agribusiness and agro-industry; and increasing national capacities to analyse developments in international trade, policies and rules.

*Analyses, policies and services for small producers*

122. Work programmes on smallholder market integration have delivered significant outputs with policy-relevant work in 109 countries. This work has included analytical frameworks, studies and regional workshops to guide policy advice on subjects as diverse as value chain finance, farm and enterprise diversification, market-oriented advisory services, understanding determinants of smallholder market participation, regional policy for Family Agriculture in Central America, subregional marketing strategy for small farmers in Eastern and Southern Africa, small and medium enterprises roundtables, and public-private partnerships appraisals.

123. FAO also focused on capacity building to strengthen producer organizations and services to smallholders including institution building and strengthening farmers' organizations and cooperatives, inclusive business models, business partnerships, contract farming, rural finance, regional market information system. FAO's work on linkages between large land investments particularly FDI and

rural development contributed significantly to inform debates within and outside FAO on the linkages between land access and smallholder inclusion in agricultural growth.

#### **An old idea in a new setting**

Farmers participating in a recent FAO-led programme in Niger increased their income by over 20 percent, with some even doubling it.

Like many African smallholders, Niger's farmers have long been penalized by having to sell their produce immediately after harvest – when prices are lowest. A financing scheme promoted by FAO is helping to turn around the livelihoods of these farmers.

The solution was to adapt a scheme from Europe. Rather than selling their harvest immediately, farmers use it as collateral for a bank loan, which they can use to meet household needs until the lean season, when prices rise. In this way, both producers and consumers benefit through increased profits and flattened peaks and troughs in market prices.

The project is now being scaled-up to cover the whole country with plans to be implemented in neighbouring Burkina Faso, Mali and Senegal. FAO is also working closely with IFAD and other partners to support the development of similar schemes across Africa.

#### *Incorporating rural employment, land access and income diversification in policy development*

124. A work programme on decent rural employment has been established and extensive policy support undertaken across many countries. Mainstreaming of decent rural employment concerns within FAO and in national and regional agricultural and rural development processes has been supported, with methodologies and tools developed; national capacities assessed and capacity development activities undertaken.

#### *Enhancing the impact of agribusiness and agro-industry*

125. FAO supported agribusiness development mainly through capacity building, particularly in the areas of value chain financing, agroprocessing technologies and small and medium enterprise development. A cross-regional appraisal of institutional mandates and capacities of ministries of agriculture related to agribusiness and agro-industries was also launched and is nearing completion. The Agro-Industries Forum for the Middle East and North Africa Region promoted FAO analysis and policy lessons to a large regional audience.

#### *Increased national capacity to analyse developments in international trade, policies and rules*

126. FAO responded to the international concern over food price volatility through a variety of means. FAO together with OECD, coordinated the preparation of the International Organizations' report to the G20 on responses to food price volatility. This work on international food price volatility did much to inform and stimulate policy-relevant international debate which was translated into country-level policy advice.

127. The FAO contribution to addressing food price volatility concerns was backed-up by an expansion of the substantive normative work programme on this subject. Food price volatility was also chosen as the theme of World Food Day in 2011.

128. The G20's Agricultural Market Information System (AMIS) with a secretariat drawn from several international organizations was established in FAO to address market information weaknesses and improve transparency of international food markets. The creation of AMIS has provided FAO a significant vehicle for strengthening and increasing the value added of its data collection, information sharing, and analytical work in relation to global food markets. Simultaneous improvements in FAO's statistical database and in related capacity development have increased countries' capacity to use the data.

129. With respect to foreign investment, FAO continued its programme of research into the impacts of such investment on local stakeholders and presented case study results at an international expert meeting. Major studies were completed in the trade area on Africa's food trade balance, the use of trade policy in support of development objectives and African regional trade in grains.

***Outlook and lessons learnt***

130. The main lessons learnt from FAO's work on creating an enabling environment for markets to improve livelihoods and rural development are:

- a) Normative work with smallholder organizations is best done in the context of field programmes for the most part because of the costs involved.
- b) The use of electronic platforms helps in the cost-effective diffusion of training and technical information.
- c) Impact and scaling-up could be further increased with more active engagement of counterparts in ministries of agriculture.
- d) Partnerships, in particular with local institutions, are of vital importance to achieve targets under constrained budgets and staff resources. FAO needs to deepen its interactions with UN agencies and collaboration with other partners such as farmers organizations, private sector and NGOs in setting priorities and in delivering results.

*Strategic Objective H: Improved food security and better nutrition*

- The capacity of several thousand staff in national government institutions and in regional organizations has been strengthened to better address the root causes of food insecurity and malnutrition.
- Face-to-face knowledge sharing events on key themes brought together over 1 000 participants from more than 200 partner organizations.
- Virtual platforms with more than 10 000 individual practitioners between them have shown to be valuable assets for knowledge sharing.

*Trends and challenges during the biennium*

131. Hunger and all forms of malnutrition continue to cause widespread suffering throughout the world, placing an intolerable burden, not only on individuals and national health systems, but on the entire cultural, social and economic fabric of nations. After years of steady progress, recent setbacks in the fight against hunger and malnutrition, arising from the combined effects of the high and volatile food prices and the global economic downturn, coupled with continuing problems of extreme poverty, inadequate access to food, communicable diseases (HIV/AIDS, measles, tuberculosis), social discrimination, environmental stress and civil strife, jeopardize earlier hopes for achieving the Millennium Development Goals aimed at halving poverty and hunger and in addressing malnutrition. FAO estimates that close to one billion people remain undernourished today. Ten million children die before their fifth birthday every year, and a third of these deaths are associated with undernutrition. 178 million children are stunted due to chronic undernutrition and 148 million children are underweight. Micronutrient malnutrition or “hidden hunger” affects more than two billion people with serious public health consequences.

*FAO's response*

*Strengthened national capacities to address the causes of hunger, food insecurity and malnutrition*

132. The development of various analytical approaches and tools, in addition to tailored curricula and learning has strengthened country capacity to analyse policy options and to formulate and implement coherent policies, programmes and investment plans in agriculture and food and nutrition sectors. National capacities have been strengthened, particularly to improve linkages between priorities in the food and nutrition sector with agriculture and natural resource management. Dialogue, exchange of experiences and bottom-up knowledge generation has been supported in various policy-related thematic areas, including price volatility, climate change, nutrition-sensitive agriculture and healthy diets. Progress has also been made in encouraging the inclusion of civil society and the private sector in the policy and programme formulation processes, while strengthening synergies and partnerships with regional economic communities, academia, UN institutions and other development partners.

*Strengthened food security governance*

133. FAO has worked at the global level to strengthen the overall food security governance structure through the reform of the Committee on World Food Security, which has established itself as the global multistakeholder platform for debating key food security and nutrition concerns. Food security mechanisms at the country level have also been strengthened, including through advocating for inclusive and rights-based approaches, and associated legislative measures. This has had a positive impact in terms of influencing food security policy, programming and investment decisions.

134. At regional and country levels, FAO has worked in partnership with regional and national-level institutions to strengthen policies and programmes to overcome constraints in achieving increased levels of food and nutrition security. Through FAO's wider support in food, agriculture and nutrition policy and programme formulation, implementation and monitoring, the capacity of several

thousand staff in national government institutions and in regional organizations has been strengthened to better address the root causes of food insecurity and malnutrition.

*Strengthened national capacities in nutrition*

135. The capacity of countries and other stakeholders to address specific nutrition concerns has been supported through FAO's contribution to various inter-agency initiatives. Support was provided to encourage healthier diets through nutrition education and capacity development in communication strategies at country level for the general public and in schools.

*Strengthened data and statistics on food security and nutrition*

136. FAO provided support for strengthening countries' capacity in generating and disseminating credible data, statistics and information for purposes of monitoring, early warning, integrated analysis, and the formulation of better informed and targeted food security and nutrition policies and programmes. Technical assistance was also provided to countries in support of conducting agricultural census work.

**Generating information for decision-making**

A Global Strategy for Improving Agricultural and Rural Statistics was developed by FAO and the World Bank. The Strategy is a comprehensive, cost-effective exercise which avoids duplication of effort, as well as the release of conflicting statistics, ensuring the best use of resources. The recent USD 50 million allocation to the Strategy by DFID is an indication of its significance.

Decisions about investments to foster agricultural growth and policies to reduce food insecurity need to be based on sound statistical information. FAO is therefore addressing the weakness in basic data and information availability in developing countries, as well as identifying emerging data and information needs.

For example, in Pakistan after the devastating 2010 flood, the country was hard pressed to identify the areas facing the most food scarcity and damage to crop production. However, an FAO satellite-based crop monitoring system now provides monthly data on crop yield measurements and production forecasts. It can also monitor crop production during events such as droughts and floods, allowing the government to plan food security policies during crises.

*Better access to analysis and information on food security and nutrition*

137. FAO's flagship publications have had the desired impact in that they are widely quoted and well appreciated by policy-makers around the world. Nutrition data introduced in FAOSTAT will enhance countries' ability to access information about the nutritional qualities of food.

138. Members' access to FAO's own, as well as to locally-generated knowledge and expertise, has been facilitated through a variety of knowledge sharing methods and tools at global and regional levels. Face-to-face knowledge sharing events ("Sharefairs") on key themes brought together over 1 000 participants from more than 200 partner organizations. Global access to agricultural knowledge and information has been improved through a dedicated library network (Aglinet), while virtual platforms (including the Global Forum on Food Security and Nutrition and the e-Agriculture Community, with more than 10 000 individual practitioners between them) have shown to be valuable assets for knowledge sharing.

***Outlook and lessons learnt***

139. Global interest in FAO's work in food security and nutrition remains robust and in the future is likely to contain a significant element of inter-institutional collaboration:

- a) FAO has done well in building global, regional and national-level partnerships and alliances in support of strengthening food and nutrition security. Developing these strengths is likely to grow in importance in the light of resource constraints. However, this

will create additional challenges, in particular in handling increased competition for scarce national expertise and resolving conflicting objectives among a growing number of partners and stakeholders.

- b) Advances in collection, processing and dissemination technologies have made statistics more available and demand is high, particularly for disaggregated data. However, challenges remain: countries vary significantly in their capacity to produce high-quality data, the lack of a common data strategy across international partners hinders coordinated action and confidentiality concerns limit the exchange of data.
- c) FAO is more likely to take a lead role in providing support to sustainable development and food and nutrition security-related issues, when it can offer innovative and technically sound packages of policy assistance services and for investment planning, involve local partners in generating and consolidating knowledge, and support cross-country and cross-regional collaboration.

*Strategic Objective I: Improved preparedness for, and effective response to, food and agricultural threats and emergencies*

- The FAO corporate Disaster Risk Reduction framework for resilient livelihoods provided strategic guidance to countries and partners on good practices for disaster risk reduction in the food and nutrition security and agriculture sectors.
- FAO restored crisis affected people livelihoods and fostered resilience in over 60 countries. In particular, the FAO/European Union Food Facility Programme assisted farmers in 28 countries, encouraging more efficient, sustainable and resilient crop and livestock production systems with significant emphasis on farmer and institutional capacity building, and introducing appropriate and adaptive technologies.
- In partnership with WFP, the global Food Security Cluster was endorsed with the United Nations Humanitarian cluster system.

***Trends and challenges during the biennium***

140. Disasters have continued to devastate the lives and livelihoods of millions. The impact of the earthquake in Haiti and floods in Pakistan show how disaster risk and poverty are closely interlinked. The Horn of Africa drought crisis also stresses the interconnection between natural disaster and conflict situations, magnifying the impact of the drought. Meanwhile, floods in Australia, the earthquake in New Zealand, and the earthquake, tsunami and nuclear disaster in Japan are reminders that developed countries are also exposed. Large-scale disasters with interactions between physical and technological hazards and the exposure of countries to a wide range of emerging risks and new patterns of vulnerability can trigger cascading system breakdowns, which are difficult to model or to prepare for, but which can exponentially magnify negative impacts.

141. A rising number of localized disasters are responsible for significant damage to crops, livestock and local infrastructure and particularly affect low-income households and communities. Existing assumptions about disaster are being increasingly challenged, as new drivers of risk emerge and interact. The increased incidence of transboundary plant pest and animal diseases and their spread to new geographic areas represents an additional source of risk.

142. Countries with weak governance, political instability or in conflict are likely to find it difficult to address the underlying causes of these risks. When similar numbers of people are affected by hazards of similar severity, wealthier and poorer countries generally experience very different losses and impacts. Across all the major hazards, poorer countries with weaker governance tend to experience far higher mortality and relative economic loss compared to wealthier countries with stronger governance.

***FAO's response***

143. To meet these challenges, FAO has scaled-up its disaster risk management approach for resilient livelihoods in disaster-prone and politically-unstable countries. FAO is thus better equipped to support countries in reducing risks and reaching out to vulnerable groups. This represents a significant contribution to improved preparedness and effective response to food and agriculture threats and emergencies. This scaling-up required FAO to focus on building livelihood and resilience strategies and capacity; finding new ways of working in partnership through establishing joint results, building networks and sharing resources; developing sectoral guidance for disaster risk reduction and management; and responding effectively and sustainably to individual emergencies.

***Reduced vulnerability through better preparedness at country level***

144. FAO provided technical support to countries to support Disaster Risk Reduction initiatives such as: crop and food security assessment missions; the prevention and response to food chain crisis arising from animal and plant diseases and pests, and food safety issues; design of sectoral disaster

risk reduction plans in agriculture, design of fisheries and aquaculture post-emergency interventions integrating risk reduction practices and principles.

145. The finalization of the FAO corporate Disaster Risk Reduction framework for Food and Nutrition Security was a major accomplishment. It provides coherence and strategic guidance to countries and partners on existing good practices for disaster risk reduction in the food and nutrition security and agriculture sectors. The framework programme builds on a range of good practices developed and implemented across FAO. The element covering "resilient livelihoods" is a first step in FAO's corporate and strategic approach to risk management.

*More effective response to crises and emergencies*

146. FAO worked to restore people livelihoods and foster resilient food systems in more than 60 countries during 2010-11 with major operations in Haiti (earthquake), Pakistan (floods) and in the Horn of Africa (drought) as well as direct support in the assessment and response to outbreaks of transboundary and zoonotic diseases. FAO's contribution to coordinated national response plans and activities has been enhanced through the development of new needs assessment tools, subregional Disaster Risk Management Strategies and country Plans of Action.

147. In the transition phase from emergency to development, the FAO/European Union Food Facility Programme assisted farmers in 28 countries, encouraging more efficient, sustainable and resilient crop and livestock production systems with significant emphasis on farmer and institutional capacity building, and introducing appropriate and adaptive technologies. Furthermore, the sustainability of FAO's emergency interventions has been strengthened by putting in place an exit strategy for all-qualifying sudden-onset disaster response plans and interventions since June 2010.

**The European Food Facility**

In just two years, FAO worked in partnership with IFAD and WFP to assist over 22 million people hardest hit by the global food price crisis in 35 countries in Africa, Asia and Latin America. Through the European Union's Food Facility, the initiative provided tangible evidence that investing in agriculture and nutrition improves global food security.

The combined effects of high food prices and the global economic downturn pushed millions of people into poverty and hunger. By the end of 2008, the number of undernourished people neared 1 billion. FAO, working in close collaboration with the UN High Level Task Force on the Global Food Security Crisis, stepped in to help bridge the gap between short-term emergency needs and longer-term development by boosting agricultural productivity in countries hardest hit by the crises.

In providing quality seed and fertilizers, improving and building infrastructure, FAO and its two partner agencies helped to improve the food security of millions of the world's most vulnerable. Furthermore, by linking farmers to markets and financial services, while creating new revenue streams through profitable farming practices, the impact of the €232 million EU contribution to FAO will continue well into their futures.

*Improved linkages between emergency, rehabilitation and development*

148. Working together, FAO and WFP developed a coherent global and country level Food Security Cluster response coordination mechanisms (with WFP). The cluster, filling a crucial sectoral gap, contributed with shared time and resources to leading and participating in general risk reduction/management events, taking on advocacy, knowledge sharing and communication efforts for disaster risk reduction and management.

**Outlook and lessons learnt**

149. Future work will benefit from the decentralization process, which will place the operational and financial responsibility for emergency and development programming under the FAO representatives. The target date to complete the rollout of this new management model is June 2013. Ideally FAO will be able to operate at the country level in a continuum from Disaster Risk

Management through emergency response, rehabilitation to early recovery, transition, and long-term development.

150. To secure the achievements and investments made in 2010-11 and to scale-up action and impact, FAO will give specific attention to:

- a) ensuring appropriate resources and capacities to communicate and share disaster risk reduction and management knowledge with countries, resource partners and other key players;
- b) training staff in decentralized offices and countries in disaster risk reduction and management;
- c) developing and reinforce strategic partnerships with principal global, regional and national actors in Disaster Risk Reduction and Management;
- d) mobilizing resources for interventions in this area at global, regional and national levels through the formulation of comprehensive programmes and projects based on good disaster risk management practices;
- e) continuing to foster links between disaster risk reduction and management and climate change adaptation;
- f) adopting gender and nutrition focuses, as well as right to food perspective throughout the project cycle;
- g) elaborating programme options for transition interventions that will enhance emergency and rehabilitation programming and improve the integration of emergency projects with relevant initiatives at programme and policy level; and
- h) following-up with international fora dealing with common standards for transitional funding, programming and coordination.

*Strategic Objective K: Gender equity in access to resources, goods, services and decision-making in rural areas*

- FAO estimates show that equal access for women to productive resources (such as fertilizers, seeds, and livestock) and opportunities (for example education and financial services) could lift at least 100 million people out of hunger, and generate further gains in food security, economic growth and social welfare.
- FAO is internationally recognized for the strength of its approach to addressing rural gender issues.

***Trends and challenges during the biennium***

151. The biennium represented a break-through for FAO's work on gender equality. Firstly, FAO changed how the world views gender issues. The FAO flagship report, State of Food and Agriculture, dedicated its 2010-11 edition to "Women in Agriculture: Closing the Gender Gap for Development". The core conclusion of the report, that 100 million to 150 million people could be lifted out of hunger if women had equal access as men to productive resources such as inputs, land, livestock, education, financial services, extension, technology and rural employment, established the socio-economic business case for promoting gender equality in agriculture. This report has consequently proved highly influential in shaping national and international debates and policies on gender and development; its findings continue to be quoted by political leaders and leading publications.

152. Secondly, the UN General Assembly authorized in July 2010 the creation of UN Women, by merging four previously distinct parts of the UN system that dealt exclusively with gender equality issues. This entity is charged with working with intergovernmental bodies to create global standards for gender, helping countries to apply those standards and holding the UN system accountable for its own commitments on gender equality.

153. Lastly, the governing bodies recognized that FAO needs to significantly upgrade its approach to handling gender equality issues, if it is to meet external expectations and the challenges associated with its mandate. In 2010 and 2011, two separate, but interlinked reviews of FAO's performance in addressing gender were undertaken: an external gender audit,<sup>3</sup> and an evaluation<sup>4</sup> carried out by FAO's Office of Evaluation. These reviews highlighted the need for strengthened support, structures, funding and accountabilities for FAO's work on gender equality. The two processes were complementary, offering a detailed insight into the Organization's performance on gender, and recommended steps for better realization of its gender equality goals.

***FAO's response***

154. To meet these challenges, FAO focused on three main areas of activity: incorporating rural gender equality considerations into UN policies and joint programmes; enhanced national capacities to incorporate gender and social inequality issues in agriculture, food security and rural development; promoting the formulation of gender sensitive policies at national level; and increasing the commitment and capacity for gender work in FAO.

***Incorporating rural gender equality into UN policies and joint programmes***

155. In its strong lead role in facilitating joint gender equality work with the Rome-based agencies, other UN agencies and the Inter-Agency Task Force on Rural Women, FAO has helped the UN system identify emerging trends, ensure common positions and strong complementarities across agencies, and increase global recognition of the effectiveness of agricultural and rural development by investing in rural women. In particular, FAO was instrumental in establishing and leading the Inter-Agency Task Force on Rural Women, providing a coordinated UN position and response to gender

<sup>3</sup> <http://www.fao.org/docrep/meeting/023/mc027E.pdf>

<sup>4</sup> PC 108/5

concerns worldwide. It also sponsored joint FAO-IFAD-ILO publications on gender and rural employment, led the development of a report card on rural women and the Millennium Development Goals, and a UN WomenWatch Web site on rural women in collaboration with other Task Force members.

*Enhanced national capacities to incorporate gender and social inequality issues in agriculture, food security and rural development*

156. The principal focus of FAO's work on gender equality has been to develop country-level capacity. FAO has built information and knowledge sharing networks at regional and subregional level. In order to strengthen the representation and influence of gender issues in policy-making, FAO has trained statisticians and other government staff, particularly in the Europe, Africa and Asia and the Pacific regions, in socio-economic and gender analysis, and the collection, analysis, dissemination and use of sex-disaggregated data. This training has led countries to include a gender dimension in their national census programmes and, in some cases, to generate National Gender Profiles of Agricultural Households. Countries like Vietnam, Cambodia and Laos have used these profiles to better target their work and to address food insecurity in rural areas.

*Promoting the formulation of gender sensitive policies at national level*

157. FAO also partnered with the Economic Community of West African States to develop gender-sensitive agricultural policies, programmes and tools to ensure the appropriate representation of gender issues in formulating agricultural investment plans, as well as by agricultural sector stakeholders and policy-makers. Regional and national workshops were organized and they contributed to enhance gender awareness and capacities on gender mainstreaming into the development of national agricultural investment plans.

**The DIMITRA community listeners clubs project in Niger and Democratic Republic of the Congo**

One of the key messages of the 2011 State of Food and Agriculture report on gender was the need to eliminate discrimination against women in access to land, education, financial services and labour markets.

The FAO-DIMITRA network is just one example of how FAO is helping rural populations, particularly women, to break down these barriers. Women have organized themselves as community listeners clubs and use solar and crank radios to communicate with other clubs through rural radio stations. They discuss key issues that affect them and inform their communities on agricultural matters, ranging from productivity to horticulture and access to land. The scheme has also led to women understanding their legal rights better, as well as improving their knowledge of topics such as HIV/AIDS, nutrition and gender based violence.

This dynamic has also contributed to the empowerment of women in their communities. Their status in local society has improved since the project began and DIMITRA's bottom-up approach has helped rural women's voices to have an influence on rural institutions and the policy environment. Their influence is likely to grow, with provincial governments firmly behind the scheme, and the national government underscoring its continued commitment by adopting the National Gender Policy and the National Action Plan for Gender.

*Increased commitment and capacity for gender work in FAO*

158. FAO devoted considerable effort over the biennium to improving how it addresses gender issues. Building on the advice provided by the gender audit and the evaluation, FAO focused on six priorities:

- a) establishing and training a network of gender focal points across FAO, both at headquarters and the field;

- b) setting-up an accountability framework with defined standards, indicators, responsibilities and reporting mechanisms for the involvement of senior managers and gender focal points in work on rural gender issues;
- c) drafting an FAO policy on gender equality, which provides the basis for FAO's continuing work in this area and for meeting most of the UN system-wide performance standards on gender equality and the empowerment of women.
- d) designing and rolling out a systematic programming mechanism to address gender equality issues throughout FAO's work;
- e) monitoring the inclusion of gender issues into the development of normative and field-related activities across FAO, and taking action, where required to ensure the gender equality perspective is appropriately reflected. Examples are the Country Programming Framework, the Effective Country Programming Learning Programme, the Project Appraisal and Approval Process, the Field Programme and Project Cycle Manuals and the new FAO Competency Framework; and
- f) developing tools, methodologies and policy support materials to strengthen the inclusion of gender equality in FAO's operational and normative work, and in UN joint programming.

159. These mechanisms have strengthened FAO's position in comparisons with other multilateral and bilateral agencies. The framework of gender policies and practices developed by FAO is recognised within the UN community as cutting edge, and is used as a benchmark for other UN agencies seeking to establish performance standards. Furthermore, external reviews have complemented FAO's approach to gender. The United Kingdom's 2010 Multi-lateral Aid Review, for example, highlighted the strength of FAO's gender focus.

#### ***Outlook and lessons learnt***

160. FAO has a strong basis on which to move forward on gender issues, but further effort is required to institutionalize the accountability framework for work on gender issues. Specifically, greater focus is required in the decentralized offices. The gender audit and the evaluation revealed a lack of awareness of the importance of gender issues vis-à-vis FAO's mandate, a limited capacity to apply gender approaches by FAO management and staff, and insufficient appreciation of the fact that a concerted effort is required to meet the expectations of Members and other stakeholders. Addressing these issues absorbed a considerable level of resources during the biennium, as FAO concentrated on building internal capacities and strengthening the institutional environment to support further work on gender equality. Future work will accordingly place greater emphasis on support to countries', particularly on capacity development and knowledge generation for decision-making to strengthen gender equality in rural areas.

*Strategic Objective L: Increased and more effective public and private investment in agriculture and rural development*

- FAO helped mobilize a four-year rolling average of USD 3.8 billion for food, agriculture and rural development, 10 percent above target.
- FAO supported country-led investment planning through an expanding and tailored set of capacity development interventions. Targets have been met for the number of investment projects approved, and exceeded those for the value of investments.

***Trends and challenges during the biennium***

161. Aid flows from major donor countries totalled USD 129 billion in 2010, the highest level ever. This is an increase of 6.5 percent over 2009, and represents progress towards the Gleneagles target of USD 145 billion for 2010. Aid to agriculture amounted to USD 6.2 billion in 2010, forming 5.6 percent of total development assistance, up from 4.6 percent in 2009.

162. Levels of government expenditures on agriculture have also risen in recent years. While data beyond 2007 is not systematically available, it appears that the majority of government spending on agriculture, as well as increases in levels of spending, are attributable to Asian countries. The agricultural share of government spending in African countries is significantly less than the 10 percent set at Maputo in 2003 and, since 2005 the share for that region has decreased.

163. Foreign direct investment in agriculture, forestry, and fisheries rose from about USD 3 billion in 2008 to USD 5.4 billion in 2010 and, increasingly, flowed from South to South. Lending to food security, agriculture, and rural development by two key FAO partner organizations, the World Bank and the International Fund for Agricultural Development (IFAD), rose sharply.

164. World Bank commitments to agriculture and related sectors were USD 5.3 billion in fiscal year 2011 well above the USD 2.9 billion in fiscal year 2008. IFAD's replenishment for the 2010-12 period rose by 67 percent to USD 1.05 billion, while the 2013-15 replenishment is scheduled to rise to USD 1.5 billion.

***FAO's response***

165. With the favourable climate to investment during the biennium in the area of FAO's mandate, the key priority for FAO was to provide countries with the tools they needed to take advantage of this level of interest, and thereby to meet targets for investments. This involved work on three levels: supporting the inclusion of investment strategies for food, agriculture and rural development within national and regional development plans; assisting partners to better plan and implement food, agriculture and rural development investment operations; and developing quality assured investment programmes.

*National and regional development plans include investment strategies for food, agriculture and rural development*

166. FAO devoted a significant level of energy to increasing public and private investment in food and sustainable agricultural and rural development, participating actively in all major events devoted to the global food security agenda. In doing this, FAO also ensured that food security, agriculture and rural development were included within broader global initiatives such as the Global Agriculture and Food Security Programme, the Comprehensive Africa Agriculture Development Programme Country Compacts and National Agriculture Investment Plans and National and Regional Plans for Food Security.

167. FAO supported the development of the Comprehensive Africa Agriculture Development Programme compacts in 16 countries (out of 26) which were signed before end-2011. FAO also supported investment planning in 9 of the 12 countries that successfully applied for the Global Agriculture and Food Security Programme financing. FAO, in collaboration with several International

Financing Institutions, implemented about 130 upstream activities aimed at: 1) improving the investment climate in the countries or regions; 2) identifying investment priorities; 3) supporting the development of the national investment policy in agriculture; and 4) ensuring greater inclusion of Food Security, Agriculture and Rural Development into national investment strategies. Globally, FAO organized or participated in the delivery of policy dialogues with the governments, development partners, producers' organization and other stakeholders throughout the investment cycle with the purpose of increasing investment flows to Food Security, Agriculture and Rural Development.

168. These activities were an important contribution to investment flows, which increased significantly, both globally and within that component of the global programme directly impacted by FAO. International Financial Institutions' support for investment in food, agriculture and rural development has grown over the biennium, with the rolling four-year average of investment significantly influenced by FAO rising to USD 3.8 billion, 10 percent above target.

*Partners are more able to plan and implement food, agriculture and rural development investment operations*

169. FAO made progress in its support for capacity development for public and private sector investment. The Organization has developed guidance materials and training covering a wide range of investment themes, from broad investment preparation and management, to gender and climate change mainstreaming in investment, creating conducive environments for private sector investment, investment products and approaches, and the use of investment tools.

170. Longer-term support was provided through South-South Cooperation under national and regional food security programmes and a range of field projects in Africa, Asia and Latin America.

**Mobilizing billions in Bangladesh**

With FAO support, Bangladesh is the first country in Asia to have a Comprehensive Country Investment Plan for agriculture, food security and nutrition, building on existing national food security policies and strategies. As of 2010, this work has resulted in 41 operations approved for financing, totalling over USD 1.66 billion.

The Plan maps out a set of priority investment programmes to improve the availability of safe food, and ensure that people have the means to buy the food they need, thus reversing the country's high malnutrition rates.

It incorporates the interests of both the public and private sectors. It is considered a key strategic step for sustainable investment as it promotes a convergence among the government, development partners and other stakeholders. Primary partners have included the World Bank, IFAD and the Asian Development Bank.

The structured analysis of the plan is helping the Government to continue its impressive progress in fighting poverty and food insecurity, which have reduced by 15 percent in the last twenty years.

*Quality assured investment programmes are developed*

171. FAO met the target for the number of investment projects approved over the biennium, and exceeded the target set for the value of investment, reflecting the improved funding environment for agriculture and rural development investment following the 2008 food price crisis. The FAO-managed component of the Global Environment Facility programme significantly exceeded its targets growing exponentially to 20 operational projects with a total value of USD 138.2 million; 20 new project concept notes with an estimated total budget of USD 83.4 million were submitted for approval. FAO also supported the development of National Programmes for Food Security with significant government budgets committed to their implementation.

***Outlook and lessons learnt***

172. The experience of the past biennium has demonstrated that significant returns can be generated when FAO devotes resources to assisting countries develop sound strategies, to building capacity, internally and with external partners, and in formulating robust investment projects. However, it is likely that the full benefits will not be drawn from the opportunities available, until countries themselves assign people with the right skills and experience to this area, and the right kind of resources are assigned to monitoring and evaluation work – so that recipients have reliable information on the techniques and best practices, and thereby build convincing cases for investors of the macro-economic and social returns that can be gained from investing in food security, agriculture and rural development.

*Functional Objective X: Effective collaboration with Member States and stakeholders*

173. The Organization relies on four key services, delivered both in-house, as well as in collaboration with Members and external partners, in order to achieve results. The four services, which have been defined as separate Organizational Results, are:

- a) Effective programmes addressing Members' priority needs are developed, resourced, monitored and reported at global, regional, and national levels.
- b) Effective and coherent delivery of FAO core functions and enabling services across Organizational Results.
- c) Key partnerships and alliances that leverage and complement the work of FAO and partners.
- d) Effective direction of the Organization through enhanced governance and oversight.

***FOX 1 - Effective programmes addressing Members' priority needs developed, resourced, monitored and reported at global, regional and national levels***

174. FAO's work on effective programmes to address Members' priority needs aims to ensure that FAO's programmes reflect agreed priorities at global, regional and national levels and that resources are effectively leveraged - both assessed and voluntary - to address these priorities.

175. FAO implemented a number of processes and tools during 2010-11 to sharpen the focus of the Organization's interventions and improve organizational learning. The new results based management system was put in place for programme planning, implementation monitoring and reporting for all headquarters, liaison, regional and subregional offices. The Organization also initiated a pilot programme in six countries to integrate country offices into strategic planning processes. On Enterprise Risk Management, a defined, documented process is in place, and there is evidence that it is being applied across FAO.

176. FAO has taken steps to strengthen regional and country specific work. The Organization introduced an integrated country programming approach (including the Country Programming Framework, resource mobilization, Country Work Plan and Project Cycle). Also, the Field Programme Management Information System has been enhanced to support implementation monitoring of projects and to better link project contributions to FAO's Strategic Framework.

177. In addition, in order to improve the implementation of projects and programmes at field level, FAO has continued to strengthen the Field Programme Support Network in the subregional and regional offices. Coordination of the Network's functions has been further enhanced through an ongoing series of operational support and resource mobilization missions to the ROs. Both region-specific and systemic issues and constraints have been identified, and solutions proposed for follow-up at appropriate levels.

***Outlook and lessons learnt***

178. Country programming will require continued support, and quality assurance mechanisms developed both in headquarters and in decentralized locations, if FAO is to meet the target of having at least preliminary Country Programming Frameworks in place by the end of 2012, along with their Resource Mobilization Action Plans. Regional resource mobilization strategies, which build on these frameworks and are clearly linked to priorities endorsed by Regional Conferences, need to be further developed including defined roles and responsibilities for resource mobilization.

179. Although the basic mechanism necessary for effective implementation of results based management was established, the internalization of a results-based culture within the Organization requires additional efforts. In particular, there is scope to better balance bottom-up and top-down aspects of FAO's programming processes and build better linkages between results-based processes at country, subregional, regional and headquarters levels. Staff knowledge and understanding of results based management varies greatly across the Organization, necessitating continued capacity development activities in the next biennium.

180. Further consolidation of the Field Programme Support Network, encouraging interaction among members within and across regions/subregions, as well as follow-up to any concerns identified during support missions, are required to facilitate a consistent and effective approach to the implementation of both technical cooperation and emergency programmes/projects.

***FOX 2 - Effective and coherent delivery of FAO core functions and enabling services across Organizational Results***

181. The effective and coherent delivery of FAO's core functions and enabling services, included significant achievements in areas such as corporate communications, capacity development, knowledge management and IT. Advocacy campaigns (1billion hungry and the European Professional Football against Hunger campaigns) increased global awareness of FAO's mission. The High-Level Policy Learning Programme - targeting decision-makers and policy analysts from 10 countries - will lead to enhanced national sustainable development and improved food security policies.

182. FAO improved the overall quality and cost-efficiency of technical publishing and increased visibility of FAO technical knowledge with reduced costs. FAO prepared and finished a Corporate Knowledge Management Strategy. The strategy will facilitate access to FAO's technical knowledge for staff and Members. The Organization developed staff skills in latest knowledge sharing practices (communities of practice networks, social media), which helped improve collaboration between headquarters and field staff, and between FAO and partner organizations/Members.

183. FAO's work had greater global, multilingual news and photographic coverage, in particular among top tier news outlets (measured by a media monitoring firm).

184. The Corporate Strategy on Capacity Development was finalized and is expected to strengthen FAO's competencies and lead to better and more effective capacity development approaches in FAO's programmes.

185. FAO also helped to develop legal and regulatory frameworks and related capacity development through field projects and supported work on global governance institutional frameworks and technical guidelines and instruments on food and agriculture.

186. FAO developed a corporate IT strategy, which allowed the Organization to direct IT investments to organizational priorities. An IT/Knowledge Management governance structure was implemented incorporating a "One IT" community pillar to enable a unified and holistic framework for IT/Knowledge Management and corporate communication. IT solutions also enabled cross-cutting work.

***Outlook and lessons learnt***

187. Lengthy internal approval processes have delayed the development and implementation of corporate governance frameworks for IT and knowledge management. Moreover, core functions, particularly those related to capacity development, knowledge management and communications need to be more fully integrated by strategy teams into the design and delivery of FAO's programmes and projects.

***FOX 3 – FAO's activities enhanced through effective corporate communication and advocacy, key partnerships and alliances***

188. FAO's work on corporate communication and advocacy, key partnerships and alliances promoted regional cooperation and strengthened policy advisory services through exchange of knowledge and experiences with a wide range of stakeholders.

189. The Organization-wide Strategy on Partnerships was approved and disseminated. FAO also started working on sector-specific strategies for revitalizing collaboration with the UN system, and strengthening the partnership with the private sector and civil society. The Alliance Against Hunger and Malnutrition - a global partnership against hunger hosted by FAO - broadened the membership base of National Alliances Against Hunger and Malnutrition and created new Regional Alliances Against Hunger and Malnutrition. The Alliance Against Hunger and Malnutrition also promoted the

development of South-South and North-South twinning arrangements, which resulted in the distribution of food to support the victims of the Horn of Africa food crises.

190. FAO strengthened partnerships and alliances through active participation in the meetings of the UN Chief Executive Board and its subsidiary committees, and through formal agreements with international, regional and national partners. FAO also made contributions to EU institutions on subject matters related to development issues and food security, and increased the collaboration with the Rome-based agencies.

#### ***Outlook and lessons learnt***

191. Effective partnerships and alliances require a thorough, continuous process of consultation and liaison, and consistent support and encouragement from member countries and similar ongoing UN system processes.

#### ***FOX 4 - Effective direction of the Organization through enhanced governance and oversight***

192. The Regional Conferences were organized in a timely manner and recommendations on key policy and programme and budget matters were completed for the FAO Conference. Reporting on actions taken on Council decisions is now a standing agenda item and is consequently more closely scrutinized than in previous biennia. A total of 268 meetings were serviced in 2010-11, 50 percent at headquarters and 50 percent in the field.<sup>5</sup> 57 percent required interpretation and/or translation services while 43 percent were monolingual.<sup>6</sup>

193. To further advance ethical awareness, FAO issued Administrative Investigation Guidelines and a new Whistleblower Protection Policy, and launched the Financial Disclosure Programme, which seeks to manage potential conflicts of interest created by the financial holdings or outside activities of staff members, or their spouses and dependent children. The Office of the Inspector General also issued "Guidelines on Fraud and Collusion in Procurement" to provide a reference tool for all staff to identify, report and address malpractices in a timely manner.

194. FAO governing bodies are increasingly using evaluations as a source of guidance for decision-making on the strategic management of the Organization. The Office of the Inspector General prepared and fully implemented a comprehensive Risk-Based Audit Plan which addressed 39 of the high risks facing FAO. This plan established a rolling work programme of audits to cover all major organizational risk areas over several biennia.

195. Governing bodies (Regional Conferences, Technical Committees, Programme and Finance Committee and CCLM) have received legal advice within statutory deadlines and in accordance with the Organization's rules and general principles of law, as well as technical departments and FAO members upon request. At least 600 queries were met. Further, approximately 40 instruments of acceptance processed were processed. Main challenges encountered include: 1) turnover in Legal Counsel over past two years and high number of vacant posts caused difficulties in the delivery of timely legal services in a time of on-going reform; 2) increased and intensified demand for complex legal services while allocated resources have not kept pace with this circumstance.

#### ***Outlook and lessons learnt***

196. As for the governing bodies, the timely submission of documents remains problematic, due in part to: (i) the tight sequence of governing body sessions, some of which take place only weeks or sometimes days before the opening of Council, with a knock-on effect on the dissemination of the reports of such meetings; (ii) the need for governing bodies to be provided with the most recent data, which might not be available until shortly before the meeting opens; and (iii) the need for clearance from partner organizations.

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<sup>5</sup> Cf. Web Annex to this document.

<sup>6</sup> Further information on FAO's language policy is contained in *Annex 3*.

### *Decentralized Office Network*

197. FAO strives to be a knowledge organization with its feet on the ground. To maximize the impact on the lives and livelihoods of people in its Member Nations, 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. Likewise, with the increased emphasis on results orientation and on work at country level, the decentralized offices network is also being called on to enhance its role in corporate priority actions such as enhanced partnership and working more closely with UN system agencies.

#### ***Main achievements***

198. Over the course of the 2010-11 biennium, FAO launched several initiatives to improve the coherence, performance and integration of the current decentralized office network, which comprises the regional and subregional offices and the country offices.

#### ***Implementation of the Immediate Plan of Action***

199. The Immediate Plan of Action for FAO Renewal accelerated the decentralization process. Under the IPA, FAO has taken actions to fully involve regional offices in policy and programme decision-making; transfer the supervision of Regional Technical Officers and FAO Representatives to the regional offices; manage non-emergency Technical Cooperation Programme resources in the region; and increase delegation of authority to decentralized offices in areas such as procurement and human resources.

200. In addition, other ongoing actions include the full integration of decentralized offices staff in the results based management system; a review of skills mix in regional and subregional offices to better fit their new functions; increased training; and improvements to allow better communication and extended use of Web-based corporate systems in decentralized offices.

201. These actions are contributing to FAO "functioning as one" - to better address the needs and priorities of Members and to work more closely with UN system agencies and partners. Benefits include a more cohesive corporate workforce with better integration between headquarters and decentralized office staff and a more responsive and efficient FAO network as a result of higher level of delegated authority.

#### ***Vision on structure and functioning of FAO's decentralized offices network***

202. Discussions on the overall direction of decentralization also continued during the biennium with the governing bodies on a broad series of actions relating to structure, staffing, funding and operations of Decentralized Offices. These discussions centred on a new vision for the structure and functioning of FAO's decentralized offices network.

203. Over the biennium, a number of countries requested the creation of a country office Progress in coverage was dependent on the use of a variety of country coverage modalities (double accreditations, national correspondents, FAOR/technical officers), in-kind contributions from host countries and productivity gains that could be achieved through, *inter alia*, training and improved information and communications technology.

204. The Country Office Information Network (COIN) played a key role in the process of transferring responsibilities to decentralized offices. Its functionality was redesigned for ease of use, making it more robust with streamlined processes and reports. Work has also started at the end of the biennium on the integration of the Country Office Information Network with the forthcoming Global Resource Management System.

#### ***FAO country programming and prioritization***

205. The Strategic Evaluation of FAO country programming<sup>7</sup> was undertaken in 2010 in view of the key role of country programming in general, and the Country Programming Frameworks in

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<sup>7</sup> PC 104/4

particular, in FAO's new results-based planning and operational framework. The Evaluation recommended, and Management<sup>8</sup> agreed, to the integrated character of the FAO country programming process with its three programmatically linked components: (i) FAO's support to national priority setting; (ii) the Country Programming Framework that defines priority areas and outcomes for government-FAO collaboration in four to five-year period; and (iii) the FAO Country Work Plan that operationalizes the agreed country programming outcomes in a two-year timeframe (aligned to FAO's planning cycle in the Medium Term Plan and Programme of Work and Budget).

206. The purpose of country programming is to respond to the priority needs of the country, in a manner that mobilizes and optimizes the use of operational capacities and knowledge of all concerned units irrespective of location. A pilot Country Work Planning exercise involving six country offices was launched in November 2010, in order to gradually integrate country offices into the corporate results-based planning process and to support the new CP process. The pilot helped to pave the way to bring FAO's work at country level into the corporate results-based programming and planning process.

#### ***Establishment of functional technical networks***

207. Due consideration has also been given to the recently issued Circular on Responsibilities and Relationships, which confirms the new reporting relationships established under the Immediate Plan of Action. The Circular also describes functional relationships and networking arrangements required to strengthen the information and knowledge exchange between staff in decentralized offices and at headquarters, in particular through the establishment of functional technical networks which provide quality assurance of technical work, as well as sharing of experience, know-how and best practices between decentralized offices and headquarters.

#### ***Strengthened decentralized offices work coordination and improved regional approaches***

208. Another measure put in place to manage the transfers of responsibilities is the creation of new coordination platforms to ensure corporate coherence. The Regional and Subregional Management Team meetings attended by FAO Representatives, regional and subregional technical and management staff were set up to review and plan programmatic and operational activities. The Operational Arm Meetings which are chaired by the Deputy Director-General Operations and attended by Assistant Directors-General of the Corporate Services and Technical Cooperation departments, Regional Representatives and Directors of the Office of Support to Decentralization and the Chief Information Officer were formed to ensure a coordinated and harmonized approach across all five regions. Along with these, the Executive Leadership Team and the Immediate Plan of Action Board were important platforms for discussing decentralization-related issues, formulating management positions on decentralization policies, overseeing progress and addressing problems.

209. With regard to the Regional Conferences, a number of changes have been made to ensure that discussions were focused and outcomes fully integrated into the decision-making process. These new arrangements will be tested for the first time in 2012 and, based on the experience, further changes will be made. Further information on the regional dimensions of FAO's work is contained in *Annex 2*.

210. The findings and recommendations of the External Auditor, Inspector General and evaluations gave further guidance in improving the functions of decentralized offices, as well as their interactions with headquarters.<sup>9</sup> Areas for improvement identified included: ensuring that field offices are adequately staffed and funded, removing bottlenecks to further decentralization, and making greater use of alternative arrangements for establishing a field presence.

#### ***Enhanced partnerships***

211. As regards the "Delivering as One" process, significant progress has been made in the original eight pilot countries, as well as in the other so-called "self-starter" countries. FAO's country offices

<sup>8</sup> PC 104/4 Sup.1

<sup>9</sup> These include the: Strategic Evaluation of FAO country programming (2010); Evaluation of FAO's operational capacity in emergencies (2010); Evaluation of FAO's activities on capacity development in Africa (2010); Independent Review of the TCP (2005); and the Evaluation of FAO's Regional and Subregional Offices for the Near East (2010).

have been effective participants of the UN Country Teams. At the global level, FAO is actively engaged with the United Nations Development Group to address common UN issues regarding operational activities for development. At regional level, Regional Representatives and Subregional Coordinators started to participate in UNDG Regional Teams that guide UN Country Teams on operational issues. Regional Coordination Mechanisms, convened by the Regional Economic Commissions, dealt with important substantive issues, such as the Rio +20. These developments allowed FAO to leverage the advantages of its close collaboration with other UN entities.

***Future outlook and priorities***

212. In 2012-13, activities with regard to decentralization will aim at completing the related actions under the Immediate Plan of Action. Work will also be completed on a competency framework for heads of decentralized offices. Support and training will continue on functions transferred, such as those relating to management of TCP and the country offices. Coordination measures to ensure that decentralized offices work together in a coherent and unified manner will be reviewed and improved.

213. In addition, FAO will roll-out the “Effective Country Programming Learning Programme”, a corporate training initiative that supports the decentralization process by enhancing capacities in country programming at regional, subregional and country level. Its ultimate goal is to contribute to improving the strategic focus, relevance and impact of FAO’s work at country level. Programme modules include the Country Programming Framework, resource mobilization, project cycle and country work plan.

Field visits by Permanent Representatives have proved useful in allowing Members and governing bodies to familiarize themselves with the work of decentralized offices. Such visits enable them to get a first-hand impression of the challenges these offices are facing to support countries in their developmental and humanitarian efforts, as well as understand the options and issues for improving the functioning of these offices. Based on past experience, FAO plans for up to four country visits in the 2012-13 biennium.

### *Technical Cooperation Programme*

214. The Technical Cooperation Programme (TCP) provides FAO's technical assistance to member countries through targeted, short-term, catalytic projects that address technical problems in agriculture, fisheries, forestry and rural livelihoods, which constrain the ability of countries, either individually or collectively, to foster agricultural and rural development.

215. The TCP may be used in all areas of action that pertain to FAO's mandate and competence and are covered by the Organization's Strategic Framework. Projects aim to fill critical technical gaps by providing technical inputs that are not available locally or that project beneficiaries cannot access through their own means or through local support systems. TCP projects should produce tangible and immediate results in a cost-effective manner and should catalyze long-term development changes. TCP-supported assistance should contribute directly to at least one Organizational Result of FAO's strategic framework.

216. Approval of TCP projects was decentralized on 1 January 2010 in line with the recommendations of the Independent External Evaluation of FAO and as foreseen in the Immediate Plan of Action for FAO Renewal.

#### ***Main challenges and FAO response***

217. The main challenges and achievements have been related to ensuring effective management of the decentralized part of the TCP including:

- a) *Reducing the project approval time from six to four months.* The streamlining of TCP approval procedures, coupled with the decentralization of authority to the lowest possible level, has resulted in a decrease to less than four months in the elapsed time between receiving a request and approval.
- b) *Establishing the capacity to effectively manage the TCP appropriation by decentralized offices.* Targeted training was provided for TCP staff in regional offices, as well as training at country level on TCP processes and information management. Continuous support and guidance was given to effectively manage the regional allocation and the TCP pipeline. In addition a specific information management tool to facilitate the data entry process in the Field Programme Management Information System was developed for the TCP project cycle management.
- c) *Ensuring the appropriate application of TCP approval criteria for development TCP assistance* managed by decentralized offices to avoid deterioration in the relevance, effectiveness and sustainability of approved projects. TCP staff in the regional offices received specific briefings, training and further guidance on the application of the TCP development criteria. Guidance material and procedures will be further refined during the 2012-2013 biennium, as the result of an independent assessment of decentralized office compliance with TCP Development Criteria.
- d) *Improving the ability to report on TCP project outputs, outcome, sustainability, catalytic effects, gender and capacity building,* as requested by the Programme Committee. A proposal was made and agreed by the governing bodies<sup>10</sup> to earmark 0.4 percent of the TCP appropriation to support the assessment by decentralized offices of the post-closure results of TCP projects. A process has been initiated for updating existing tools (progress and terminal reports) and developing new ones (project matrix and ex-post assessment) with related guidelines for reporting on the above aspects as part of an overall results monitoring and reporting system for the TCP aligned with corporate quality assurance mechanisms. This system will also respond to the observations and recommendations made by several internal and external audits on TCP project quality and results measurements allowing a better reporting on areas identified in the audit findings.

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<sup>10</sup> CL 141/REP para. 9

### Overview of funds approved and delivery

#### Requests and approvals

218. During the biennium, the Organization received 459 government requests for TCP support against 518 received during the previous biennium. 71 percent of these requests were approved for TCP funding during 2010-11, while 10 percent did not qualify for TCP assistance. The remaining requests will be processed in 2012. In total, 426 TCP projects for a total of USD 117.8 million were approved, as shown below, compared to 444 projects for USD 132.6 million in 2008-09, which included 67 projects approved in 2008 against the 2006-07 appropriation.

**Figure 3: TCP Project approvals in 2010-11 (USD million)**

Type of TCP Project	Total Budget	Number of projects <sup>(1)</sup>	Average budget per project	Percentage of total approved budget
National	80.6	241	0.334	68
Regional	16.7	44	0.379	14
Inter-regional	0.9	2	0.468	1
TCP Facility <sup>(2)</sup>	19.6	139	0.141	17
<b>Total</b>	<b>117.8</b>	<b>426</b>	<b>0.276</b>	<b>100</b>

Notes: (1) Includes Phase II projects

(2) Includes 16 regional TCP Facilities

Nearly two thirds of value of TCP projects approved during the biennium was due to be spent at country level.

219. The distribution by region of the resources approved during 2010-11 is reflected in the table below (all type of projects).

**Figure 4: Distribution of approved TCP resources by region**

Region	Total budgets USD million	Number of projects	Percentage of total approved resources
Africa	48.2	162	41
Near East	9.1	35	7
Asia & the Pacific	27.0	95	23
Europe	9.3	38	8
Inter-regional	0.9	2	1
Latin America and the Caribbean	23.3	94	20
<b>Total</b>	<b>117.8</b>	<b>426</b>	<b>100</b>

220. The distribution by category (development and emergency) of the resources approved during 2010-11 is reflected in the table below.

**Figure 5: TCP project approvals in 2010-11 by category**

Project category	Total budgets (USD million)	Number of projects
Support to Development <sup>(1)</sup>	100.4	383
Emergency Assistance	17.4	43
<b>Total</b>	<b>117.8</b>	<b>426</b>

Note: (1) Includes 139 TCP Facility projects for USD 19.6 million

### *Support to development*

221. In 2010-11, 383 projects totalling USD 100.4 million were approved for development support. Of this, the TCP Facility amounted to 139 projects (USD 19.6 million). No major changes are observed on the use of the Facility compared with 2008-09, (143 projects totalling USD 22.8 million). The Facility will continue to be used to support the formulation of Country Planning Frameworks, with USD 907 000 allocated for this purpose in 2010-11, compared to USD 900 000 in 2008-09.

### *Emergency TCP assistance*

222. During the 2010-11 biennium, 43 emergency projects for a total of USD 17.4 million were approved. This is lower than the 2008-09 overall approvals of USD 51.4 million for emergency assistance, but is in line with the indicative earmarking of 15 percent of the TCP appropriation for emergency projects set by the governing bodies. In addition, USD 35 million out of the USD 51.4 million were devoted to TCP emergency projects within the framework of FAO's Initiative on Soaring Food Prices (ISFP) and USD 16.4 million were allocated for other types of emergency. The number of emergency projects has thus increased in 2010-11 compared with non-ISFP projects approved in 2008-09. Compared with 2008-09 when assistance was concentrated on ISFP projects, emergency assistance projects in 2010-11 were requested to respond to a broad variety of emergencies such as floods, drought, animal diseases, as well as in support of the Horn of Africa crisis. Out of 43 emergency projects, 23 projects addressed crop production-related emergencies for a total of USD 10.5 million, and 14 projects addressed animal-related emergencies for a total of USD 5.2 million.

### *Delivery*

223. During the biennium, delivery reached USD 94.4 million compared with USD 117.4 million during 2008-09. The level of delivery during 2008-09 was higher, because of the effect of projects on the Soaring Food Prices initiative during this period. However, this level represents over a 52 percent increase in the delivery rate compared with the period 2006-07.

**Figure 6: TCP spend by project category in 2010-11**

<b>Project category</b>	<b>USD million</b>	<b>Percentage</b>
Support to Development	59.1	62.6
Emergency Assistance	16.6	17.6
TCP Facility	18.7	19.8
<b>Total</b>	<b>94.4</b>	<b>100.0</b>

### *The types of project financed and relation to major FAO programmes*

224. With the adoption of the Strategic Framework, TCP approval Criteria No 2. *Aims and purposes for development assistance* was revised to make it mandatory for each TCP development project to contribute directly to the achievement of at least one Organizational Result in order to be approved. This has been applied to all projects approved against the 2010-11 appropriation.

225. *Figure 7* shows the 2010-11 TCP delivery by strategic/functional objective. "Sustainable intensification of crop production" (SO-A), "Improved preparedness for, and effective response to, food and agricultural threats and emergencies" (SO I) and "Effective collaboration with Member States and stakeholders" (FO-X) are the three major areas where TCP assistance was provided in 2010-11.

**Figure 7: TCP expenditure by strategic/functional objective, 2010-11 (USD million)**

Strategic/Functional Objective		Delivery in 2010-11	Percentage of total delivery
A	Sustainable intensification of crop production	18.3	19.4
B	Increased sustainable livestock production	7.9	8.4
C	Sustainable management and use of fisheries and aquaculture resources	9.1	9.7
D	Improved quality and safety of foods at all stages of the food chain	3.1	3.3
E	Sustainable management of forests and trees	6.8	7.2
F	Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	5.7	6.1
G	Enabling environment for markets to improve livelihoods and rural development	5.6	5.9
H	Improved food security and better nutrition	7.7	8.2
I	Improved preparedness for, and effective response to, food and agricultural threats and emergencies	11.1	11.7
K	Gender equity in access to resources, goods, services and decision-making in the rural areas	1.2	1.2
L	Increased and more effective public and private investment in agriculture and rural development	2.5	2.6
X	Effective collaboration with Member States and stakeholders <sup>(1)</sup>	15.3	16.2
Y	Efficient and effective administration	0.1	0.1
<b>Total</b>		<b>94.4</b>	<b>100.0</b>

Note: (1) Represents TCP Facility components.

Over a third of TCP expenditure went towards SO-A, SO-I and FO-X.

### **Lessons learned and future challenges**

226. The main lessons derived from experience in the biennium include:

- a) Corporate monitoring and oversight is a critical part of an overall quality assurance mechanism for all aspects of the programme and to ensure its implementation of across decentralized offices. The new monitoring system for the TCP will improve project performance. This should be coupled with continuous strengthening of decentralized offices capacities to apply TCP criteria.
- b) While continuing to keep abreast of the changing environment, progress on corporate reform processes, as well as recommendations made by different evaluations, having a tool to assess the relevance, effectiveness and sustainability of the TCP at project and programme levels is fundamental to enable informed decision-making on the TCP. It is expected that the information provided through the application in 2012-13 of the TCP results monitoring system will provide a solid basis for future discussions and recommendations on the TCP, including for the evaluation of the TCP planned for 2013 and for measuring the impact of any further change implemented.
- c) In responding to the Programme Committee's request that TCP assistance should better integrate gender aspects, be better aligned with the Country Programming Framework, and that effectiveness in building capacities should be assessed and strengthened, action is required to improve understanding of the TCP project approval criteria on gender, capacity building, strategic focus and priorities, sustainability and catalytic effect. Such actions will be part of an overall effort during 2012 and 2013 to strengthen the capacities of the decentralized offices to apply the TCP project criteria.

### III. Managing resources wisely

#### A. Resources

227. This section reports on the administrative and financial mechanisms used by FAO to manage the resources put at its disposal during 2010-11 to support the delivery of its programme of work. It covers progress in efficient and effective administration (Functional Objective Y) and examines overall biennial financial performance, the cost of support to extrabudgetary activities, resource mobilization, and the Capital and Security Expenditure Facilities.

#### *Functional Objective Y: Efficient and effective administration*

- The approach adopted by FAO for joint procurement among the Rome-based UN agencies has become the model for UN agencies wishing to collaborate on other issues.
- The drive to greater internal efficiency is gaining momentum, with 77% of applicable functions covered by a Service Level Agreement.
- A results-based culture is starting to take root in FAO.
- New staff selection procedures have helped FAO meet targets for gender and geographical representation.

228. Functional Objective Y (FOY) covers activities in the areas of finance, human resources management, procurement and facilities management aimed at making FAO a client-oriented organization that manages for results. The projects funded by the Immediate Plan of Action for FAO Renewal are formally part of this Functional Objective. However, because of their significance, their achievements are reported under a dedicated section entitled “Immediate Plan of Action”.

229. The past biennium saw a number of significant changes in the area of administration. A customer survey at the end of 2011 indicated that these changes were starting to improve FAO’s efficiency and effectiveness, but that there was still room for further improvements. The survey covered all administrative programme areas, and showed that 48 percent of FAO staff are satisfied with corporate services, just below the target of 50 percent. Particular areas where FAO made advances during the biennium involved human resources management, improved IT resource management support systems, and revised procurement procedures.

#### *Human resources management*

230. The 2010-11 biennium marked the introduction of a Human Resources Strategic Framework and Action Plan to govern the Organization's HR management programme and align its workforce capabilities to support the delivery of corporate Strategic Objectives. Major outcomes achieved include:

- a) A new methodology for assessing staff performance. As this methodology is based on an agreement between staff and supervisors on the goals to be met over the coming year, it links individual work plans through the corporate hierarchy to FAO’s overall objectives, and thereby reinforces a management culture of results based management.
- b) The formulation of a Competency Framework, which will allow for a step change in human resource management in FAO, especially in job design, recruitment, performance management, and learning and development. During 2012 and beyond, the Competency Framework will be operationalized, by rolling it out across all human resource functions.
- c) Development and implementation of a suite of management and leadership programmes, designed to enhance the managerial competencies of existing and emerging leadership cadre in FAO. During 2010-11, approximately 30 percent of managers have completed at least one of the courses of the programme.

- d) New recruitment procedures which have led to a more balanced Organization in terms of geographical and gender representation by the end of the biennium, with targets in both areas being met. Further details on this are contained in *Annex 4*.
- e) Strengthened ethical practices in the Organization by issuing policies on preventing conflicts of interest for staff, protection of whistleblowers and a financial disclosure policy for staff in sensitive positions.
- f) The introduction of a new Junior Professionals Programme (JPP), under which 18 staff were recruited.
- g) The launch of the Human Resource management information reporting system, as the first component of the corporate Human Resource management information system currently under development.

#### *Improved IT systems for resource management*

231. The major IT project during the biennium was the completion of the detailed design phase of the Global Resource Management System (GRMS). For the first time a single corporate integrated administration system will be made available to all decentralized offices in FAO. The new system will result in the implementation of standardized administration processes across the Organization's world-wide locations, that are compliant with International Public Sector Accounting Standards (IPSAS). IPSAS represent best practice in financial reporting for governments and not-for-profit organizations. Their adoption in FAO is expected to strengthen FAO's accountability framework and will contribute to increased transparency, improved financial reporting and better results based management practices.

232. The rollout of GRMS to FAO's country offices will also provide staff, wherever they are located, with the tools needed to carry out the functions and with accurate and timely data needed for decision-making. It will accordingly play an important role in the implementation of the new business model for FAO. The new system is due to go live in November 2012 at headquarters and regional offices, followed by a progressive rollout to offices worldwide.

#### *Improved client-orientation*

233. A major effort was made to make all corporate services more client-friendly. As a first step, FAO prepared Service Level Agreements for 77 percent of all relevant service functions and published the results. This effort was well received and it has been even adopted by some Regional Offices.

234. In addition to corporate efficiency savings, work on streamlining and improvement included: simplifying medical certification for non-staff human resources; eliminating the need for an officer to be on duty at headquarters during weekends and holidays; speeding-up field payments by eliminating paper flows; simplifying professional recruitment; and improving internal communications.

#### *Cost-effective procurement*

235. FAO overhauled its policies on procurement and letters of agreement. These new policies changed FAO's procurement model, by bringing a new, clearer focus on cost-effectiveness. This was achieved by introducing the principles of best value for money, providing more complete guidance to ensure fairness, transparency, economy and effectiveness, and by clarifying accountabilities, roles and responsibilities.

236. FAO has also improved the efficiency and responsiveness of procurement to local needs. In field operations, it stationed International Procurement Officers in three countries with high forecast levels of procurement, and increased their delegated authority. At headquarters, FAO created a Common Procurement Team for joint headquarters tendering with the three Rome-based UN agencies. The model created by FAO and its partners in Rome is recognized within the UN as the benchmark for inter-agency work in procurement.

#### *Outlook and lessons learnt*

237. The biennium has seen some successes in improving the efficiency and effectiveness of FAO's administrative and support services, however, there is further scope to strengthen their

performance. In this respect, particular challenges and priorities identified during the biennium include:

- a) The timely rollout of the Global Resource Management System and the provision of training opportunities to support the generation of more reliable financial information, particularly for country offices.
- b) Embedding results based management and value-for-money further in FAO's culture.
- c) Securing further improvements in HR, especially recruitment, geographical and gender representation and mainstreaming of the Competency Framework.

#### *Financial performance*

- Total expenditure increased by USD 547.5 million (25percent) in 2010-11 compared to 2008-09, mainly because of greater activity in voluntary contribution trust funds and UNDP.
- FAO spent 99.1 percent of the net budgetary appropriation of USD 1 000.5 million.
- Total field programme and extrabudgetary support to Regular Programme delivery reached USD 1 706.8 million, an increase of 39 percent over 2008-09.

#### *Use of resources*

238. A main feature of the PIR is to report on the use of resources during the biennium in relation to the delivery of products and services. This section summarizes the evolution and use of total available resources from assessed and voluntary contributions. The analysis refers to total expenditure as reported in the financial accounts for the biennium, which for 2010-11 was USD 2 736.6 million, USD 547.5 million (25 percent) higher than in 2008-09.

#### *Evolution of total resources*

239. The main funding sources are presented in *Figure 8*, categorized as *General and Related Funds, and Trust Funds and the United Nations Development Programme (UNDP)*:

- a) “*General and related Funds*” encompass activities funded from assessed contributions arising from the Regular Programme appropriation, and associated sources including jointly financed investment support activities, reimbursement for support costs and other assorted items;
- b) “*Trust Funds and UNDP*” comprise activities funded from voluntary contributions through projects.

**Figure 8: Expenditure summary by source of funds (USD million)**

Funding Source	2008-09	2010-11	Difference (USD)	Difference %
<b>General and Related Funds</b>				
Regular Programme expenditure (for 2010-11 versus budget of USD 1,000.5 million)	925.6	991.8	66.2	7%
Jointly financed investment activities	30	38.1	8.1	27%
Voluntary Contributions and funds received under inter-organizational arrangements	74.1	109.3	35.2	48%
Government cash contributions and other sundry income	17.1	16.5	-0.6	-4%
TCP, Capital Expenditure and Security Expenditure Facility adjustments	7.1	-18.3	-25.4	-358%
Currency variance vs. budget rate <sup>(1)</sup>	20.7	-12.6	-33.3	-161%
Other <sup>(2)</sup>	-20.8	-20.4	-0.4	-2%
<b>Subtotal</b>	<b>1,053.8</b>	<b>1,104.4</b>	<b>50.6</b>	<b>5%</b>
<b>Trust Funds and UNDP</b>				
Trust Funds/UNDP (excluding emergency projects)	576.6	887.6	311	54%
Trust Funds/UNDP (Special relief operations - emergency projects)	558.7	744.5	185.8	33%
<b>Subtotal</b>	<b>1,135.3</b>	<b>1,632.1</b>	<b>496.8</b>	<b>44%</b>
<b>Total expenditure</b>	<b>2,189.1</b>	<b>2,736.6</b>	<b>547.5</b>	<b>25%</b>

Note: (1) Currency variance represents actual expenditure and actual other income adjusted to reflect the translation of Euro-denominated transactions at the budget rate of exchange rather than the UN operational rate of exchange in effect at the date of the transactions.

(2) Under the line "Other", the main item represents USD 21.7 million for health insurance premiums which is recorded as a reduction of After-service Medical Coverage (ASMC) liability for financial reporting.<sup>11</sup>

240. Expenditure under *General and Related Funds* increased by USD 50.6 million (5 percent) over the previous biennium. Notable features underpinning this change include:

- the higher approved Regular Programme appropriation for 2010-11 led to an increase in expenditure of USD 66.2 million (7 percent) over the previous biennium;
- jointly funded investment activities increased by USD 8.1 million (27 percent), largely due to the increased portfolio of activities with European Bank for Reconstruction and Development and IFAD;
- voluntary contributions and funds received and spent under inter-organizational arrangements through the *General Fund* increased by USD 35.2 million (48 percent), continuing the trend of the previous two biennia;
- adjustments related to deferred income took place for TCP and Capital and Security Expenditures: the unspent appropriations deferred from the previous biennium less the deferred income to 2012-13 resulted in a net decrease of USD 18.3 million, compared to a net increase of USD 7.1 million in 2008-09 (further detail is shown in *Figure 9*); and
- adjusting expenditure to the budget rate of exchange resulted in a negative currency variance of USD 12.6 million in 2010-11, compared to a positive variance of USD 20.7 million in 2008-09.

241. Expenditure related to "*Voluntary Contributions*" increased by USD 496.8 million (44 percent), a significant rise from 2008-09. Emergency operations increased by USD 185.8 million (33

<sup>11</sup> Effective 31 December 2007, in conjunction with the Organization's move towards adoption of International Public Sector Accounting Standards, FAO recognized in its financial statements the full actuarial value of its after-service liabilities. Consequently, beginning in 2008, the Organization accounts for payments for health insurance premiums on behalf of retirees differently for financial reporting than for budgetary reporting. For the 2010-11 biennium, USD 21.7 million of payments for health insurance premiums on behalf of retirees are recognized as expenditure for budgetary reporting, but are recorded as reduction of ASMC liability for financial reporting.

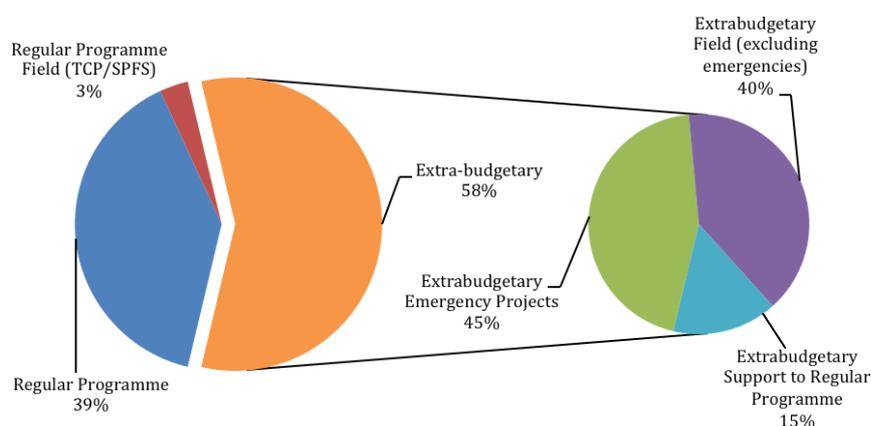
percent), related to areas such as the Avian Influenza pandemic and assistance to drought-affected areas.

**Figure 9: TCP, Capital Expenditure and Security Facility adjustments 2010-11 (USD million)**

Funding source	2008-09	2010-11	Change
Prior biennium's TCP appropriation transferred to current biennium	69.9	54.2	(15.7)
TCP appropriation deferred to subsequent biennium	(54.2)	(65.5)	(11.3)
Prior biennium's Capital Expenditure Facility resources transferred to current biennium	2.8	-	(2.8)
Capital Expenditure Facility resources deferred until subsequent biennium	(7.4)	(6.1)	1.3
Prior biennium's Security Expenditure Facility resources deferred to current biennium	-	-	-
Security Expenditure Facility resources deferred to subsequent biennium	(4.0)	(0.8)	3.2
<b>Total</b>	<b>7.1</b>	<b>(18.3)</b>	<b>(25.4)</b>

242. As shown in *Figure 10*, extrabudgetary expenditure accounted for more than half of total expenditure. Compared to 2008-09, the Regular Programme share of expenditure declined from 48 percent to 42 percent. Within the extrabudgetary category, emergency assistance projects accounted for the largest share (45 percent) followed by non-emergency field projects (40 percent) and extrabudgetary support to the Regular Programme (15 percent). Compared to 2008-09, non-emergency field projects experienced the largest growth, with their share increasing from 35 percent to 40 percent, while the percentage of extrabudgetary resources supporting the Regular Programme remained at 15 percent.

**Figure 10: Regular Programme and extrabudgetary expenditure as a share of total expenditure in 2010-11, and breakdown of extrabudgetary expenditure by type**



### **Programme of Work - Performance**

243. As mandated by Conference in the reform of programming and budgeting under the IPA, the 2010-11 Programme of Work was funded from the assessed budget and an estimate of extrabudgetary voluntary funding. The Programme of Work is based on the requirements to achieve the two-year targets under the results frameworks for the Strategic and Functional Objectives, along with associated requirements for country offices, the Technical Cooperation Programme, and Capital and Security Expenditure. *Figure 11* provides information by Strategic Objective on the planned and actual implementation of the net appropriation and extrabudgetary resources placed at the disposal of FAO during 2010-11.

244. The implementation of the net appropriation of the Organization inevitably diverges from that planned, as the result of factors such as: shifts in priorities reflecting changing external requirements

and the measures taken to respond to Members' most pressing needs; unbudgeted inflation; unforeseen costs; and impact of exchange rates. In 2010-11, the Organization spent 99.1 percent of the net appropriation of USD 1 000.5 million, resulting in an overall under-spending of USD 8.7 million. This balance is carried over to 2012-13 as authorized by the Conference for full implementation of the IPA,<sup>12</sup> and includes USD 0.5 million of deferred 2010-11 one-time IPA investment costs and USD 8.2 million to contribute to further efficiency gains and one-time savings.

245. In accordance with the Financial Regulation 4.5 (b), the final performance was presented to the Finance Committee at its May 2012 session to take note of the overall budgetary outturn for 2010-11 and approve the required Chapter transfers.<sup>13</sup> Any unspent balances in the Technical Cooperation Programme, Capital Expenditure and Security Expenditure are transferred for use in the subsequent financial period, in line with the Organization's current financial regulations, and are therefore shown as fully spent in *Figure 11*.

246. Under *Extrabudgetary Implementation*,<sup>14</sup> the extrabudgetary available budget and expenditure was generally higher than the amounts planned in the PWB. This is a consequence of prudent forecasting of such resources in the PWB 2010-11, in particular in the case of estimates of extrabudgetary activities that were not operationally active at the time of the PWB formulation. Furthermore, at the time of preparation of the PWB 2010-11, the Resource Mobilization and Management Strategy was not yet operational and extrabudgetary resources mobilized were almost entirely provided on a tightly earmarked basis, making accurate forecasts by Strategic Objective problematic.

247. Furthermore, in the case of non-emergency extrabudgetary activities, about 27 percent of delivery was achieved through projects which, at the time of the PWB preparation did not yet exist, while in the case of emergency assistance only 28 percent of delivery was achieved through projects which were operational or approved at that time.

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<sup>12</sup> CR 5/2011

<sup>13</sup> FC 143/7

<sup>14</sup> Expenditure in the extrabudgetary column includes approximately USD 200 million of income earnings credited to the General Fund; this is in line with the presentation in the PWB 2010-11, where income earnings were included as part of extrabudgetary resources.

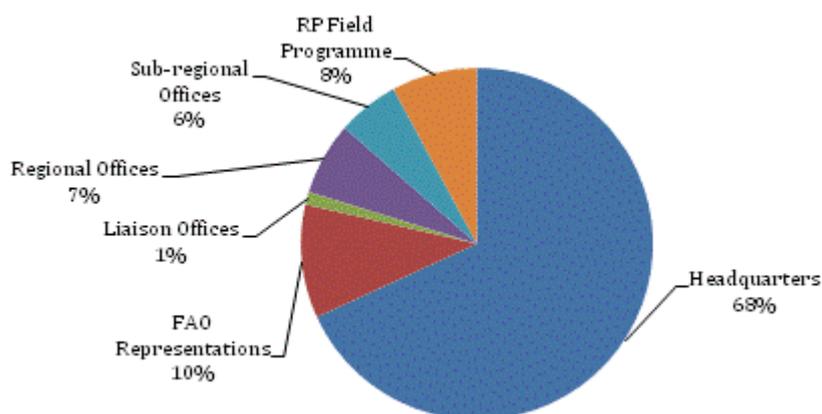
**Figure 11: Programme of Work Performance 2010-11 (USD '000)**

Strategic/Functional Objective	Regular Programme Implementation			Extrabudgetary Implementation				Total Implementation			
	PWB Net Appropriation	Net Appropriation Budget Rate Expenditure	(Over)/ Under Expenditure	PWB Extrabudgetary Planned	Extrabudgetary Available Budget	Extrabudgetary Expenditure	(Over)/ Under Expenditure against Available Budget	Total Planned Budget	Total Available Budget	Total Expenditure	(Over)/ Under Expenditure against Available Budget
A	49,181	46,543	2,638	192,089	377,141	314,289	62,852	241,270	426,321	360,832	65,489
B	31,637	28,578	3,059	154,991	273,004	195,174	77,830	186,629	304,641	223,752	80,889
C	55,626	54,164	1,462	87,685	91,887	81,901	9,986	143,311	147,513	136,065	11,448
D	24,445	23,883	562	18,163	16,278	14,331	1,947	42,608	40,723	38,214	2,509
E	42,054	41,304	750	78,084	143,638	80,575	63,063	120,138	185,692	121,879	63,813
F	53,192	54,650	(1,458)	84,837	169,007	135,039	33,968	138,030	222,200	189,689	32,511
G	40,878	37,659	3,219	51,582	66,702	49,575	17,127	92,460	107,580	87,234	20,346
H	58,454	60,056	(1,602)	89,887	193,639	164,251	29,388	148,340	252,093	224,307	27,786
I	7,311	7,987	(676)	372,217	601,531	584,279	17,252	379,527	608,841	592,266	16,575
K	9,838	11,105	(1,267)	12,703	18,147	15,384	2,763	22,540	27,985	26,488	1,497
L	36,571	41,110	(4,539)	51,771	63,302	54,346	8,956	88,342	99,873	95,455	4,418
X	220,680	217,228	3,452	18,305	70,624	56,172	14,452	238,986	291,305	273,400	17,905
Y	118,582	117,328	1,254	18,553	47,280	53,646	(6,366)	137,136	165,862	170,974	(5,112)
FAOR Programme	88,294	87,013	1,281	14,199	27,314	27,314	0	102,493	115,608	114,327	1,281
TCP	111,694	111,694	0	0	0	0	0	111,694	111,694	111,694	0
Contingencies	600	0	600	0	0	0	0	600	600	0	600
Capital Expenditure	26,803	26,803	0	0	0	0	0	26,803	26,803	26,803	0
Security Expenditure	24,686	24,686	0	789	209	209	0	25,475	24,895	24,895	0
<b>Total</b>	<b>1,000,526</b>	<b>991,791</b>	<b>8,735</b>	<b>1,245,856</b>	<b>2,159,705</b>	<b>1,826,484</b>	<b>333,221</b>	<b>2,246,381</b>	<b>3,160,230</b>	<b>2,818,275</b>	<b>341,955</b>

248. Consequently, the higher than planned expenditure under Strategic Objective I “*Improved preparedness for, and effective response to, food and agricultural threats and emergencies*” accounted for the largest deviation from the estimate in the PWB 2010-11 (37 percent of total variance). Most of the projects on trans-boundary diseases, and operations in Haiti and the Horn of Africa could not be foreseen at the time of the PWB formulation. Another significant variance was observed under Strategic Objective A “*Sustainable intensification of crop production*” (21 percent of total variance), due to unforeseen emergency assistance activities, with projects supporting, for example, flood-affected vulnerable farmers in Pakistan and increased agricultural production in Afghanistan.

249. The breakdown of net appropriation expenditure between headquarters and decentralized offices is shown in *Figure 12*. Headquarters accounted for 68 percent of total expenditures, 2 percent higher than in 2008-09. Field Programme expenditures related to TCP and SPFS (which are funded from the Regular Programme) were at 8 percent in 2010-11, compared to 11 percent in 2008-09. The delivery in 2008-09 was high mainly because of the Initiative for Soaring Food Prices (ISFP) projects during this period. As regards the decentralized locations, most office shares remained the same, with only the share of subregional offices increasing from 5 percent to 6 percent.

**Figure 12: Expenditure at headquarters and decentralized offices, 2010-11**



#### **FAO field programme and extrabudgetary support to Regular Programme delivery**

250. FAO’s total field programme and extrabudgetary support to Regular Programme delivery reached USD 1 706.8 million, an increase of 39 percent over 2008-09 (*Figure 13*). This reflects increased delivery under the FAO/European Union Food Facility, the Government Cooperative Programme (GCP), Multilateral Trust Funds (MTF), the United Nations Joint Programme (UNJP) and emergency and rehabilitation activities.

**Figure 13: Field programme and extrabudgetary support to the Regular Programme by type of contribution (USD million) <sup>(1)</sup>**

<b>Description</b>	<b>2008-09</b>	<b>2010-11</b>
<b>FAO/UNDP Implementation</b>		
Emergency assistance	-	9.8
Non-emergency activities	8.2	3.3
<b>Total UNDP</b>	<b>8.2</b>	<b>13.1</b>
<b>TRUST FUNDS</b>		
<b>Trust Funds - Non-emergency</b>		
FAO/Government Cooperative Programme (GCP)	319.9	401.6
Associate Professional Officer (APO) Programme	14.0	15.0
Unilateral Trust Funds (UTF)	133.7	94.3
FAO-Donors Partnership Programmes	9.1	14.5
FAO/EU Food Facility	0.4	211.2
UN Joint Programme (UNJP)	16.3	71.4
UN Environment Programme (UNEP)	7.4	12.8
Other UN Organizations	6.3	2.2
TeleFood	3.8	3.4
Multilateral Trust Funds	37.7	63.3
<b>Total - Non-emergency</b>	<b>548.2</b>	<b>889.7</b>
<b>Trust Funds - emergency assistance</b>		
Special Relief Operations – General	558.7	673.1
FAO/Government Cooperative Programme (GCP)	-	30.4
UN Joint Programme (UNJP)	-	5.5
Unilateral Trust Funds (UTF)	-	6.6
<b>Total - emergency assistance</b>	<b>558.7</b>	<b>715.6</b>
<b>Total Trust Funds</b>	<b>1,106.9</b>	<b>1,605.3</b>
<b>Total External Funding</b>	<b>1,115.1</b>	<b>1,618.4</b>
<b>Regular Programme</b>		
Technical Cooperation Programme (TCP)	109.8	72.4
Technical Cooperation Programme (Emergency)	-	15.8
Special Programme for Food Security (SPFS)	2.0	0.2
<b>Total Regular Programme</b>	<b>111.8</b>	<b>88.4</b>
<b>TOTAL FIELD PROGRAMMES*</b>	<b>1,226.9</b>	<b>1,706.8</b>

Note: (1) Total extrabudgetary expenditures exclude administrative and operational support costs credited to the General Fund and the cost of emergency operations incurred in the Division of Emergency and Rehabilitation.

251. Prior to 2010-11 only assistance under Special Relief Operations was recognized as emergency assistance. However, UNDP, GCP and other funding sources often provide assistance in emergencies. Therefore, *Figure 13* recognizes emergency assistance regardless of funding source. Delivery figures for emergency assistance under these funding categories were not available for 2008-09.

252. A number of areas of non-emergency assistance showed dramatic growth in 2010-11. The European Union Food Facility was launched in 2009 to help developing countries move towards long-term food security. A major portion of these funds, over USD 210 million in 2010-11, was channelled through FAO, allowing the Organization to field operations in 28 countries in Africa, Asia and Latin America, touching the lives of more than 9 million people in rural areas.

253. The FAO Multi-donor Partnership Programme expanded to include Sweden and Belgium in addition to the Netherlands. Funds are unearmarked and used to achieve outcomes agreed upon by the

donors in areas of the Organization's core programme and strategic objectives. In the field, the programmes are embedded in larger development processes or programmes and managed by the governments concerned or by other development partners.

254. Trust Fund expenditures for emergency assistance grew from USD 558.7 million to USD 715.6 million, an increase of 28 percent. The relative growth in emergency assistance trust funds, while substantial, was less than that experienced for non-emergency assistance which increased by over 60 percent from USD 548.2 million to USD 889.7 million. Major contributing factors to the growth in non-emergency assistance were: increased cooperation with Members under the FAO Government Cooperative Programme, expansion of the FAO/European Union Food Facility, and growth of rehabilitation programmes in follow-up to emergency assistance. The share of non-emergency assistance as a percentage of total trust fund delivery increased from less than 50 percent in 2008-09 to over 55 percent in 2010-11.

255. While the growth in emergency assistance was less than in 2008-09, delivery continued to expand in 2010-11. The main recipients of trust fund emergency assistance were Pakistan, Somalia, Sudan, Democratic Republic of Congo, Afghanistan, Zimbabwe, Indonesia and Haiti, which accounted for 56 percent of all emergency expenditures in 2010-11. The main areas of emergency assistance included: i) assistance for protection of livelihoods and food security through provision of critical livestock inputs in flood affected areas; ii) Avian Influenza through the Global Programme for the Prevention and Control of HPAI; iii) interventions within the framework of the Initiative on Soaring Food Prices; iv) operations throughout the Horn of Africa and Southern Africa; and v) continued support to countries affected by the Indian Ocean Tsunami, including operations in Sri Lanka and Indonesia. In total, emergency assistance was provided to over 90 countries.

256. Sources of external funding in 2010-11 are shown in *Figure 14*. In total, more than 225 countries and organizations contributed extrabudgetary resources to FAO during 2010-11.

257. The contributions from the European Community are particularly noteworthy, increasing from USD 189.7 million to USD 414.2 million (26 percent of total delivery) in 2010-11, primarily due to the FAO/European Union Food Facility. The United States nearly doubled its voluntary contributions to USD 160.0 million giving support mostly to emergency assistance. Spain joined the top three donors for the first time, more than doubling its contribution in 2010-11 to USD 142.7 million. The United Nations Office for the Coordination of Humanitarian Affairs remained the fifth largest source of funding to FAO, for emergency and rehabilitation activities through the UN Central Emergency Response Fund.

258. During 2010-11, there were 27 external sources of funding with contributions over USD 10 million, accounting for 87 percent of all extrabudgetary delivery and more than 2,800 projects had some level of activity. Multi-donor funding of specific programmes or large projects continued to be a major component of delivery. There were 170 programmes and projects with expenditures of over USD 2.0 million, accounting for 54 percent of total delivery.

**Figure 14: Sources of external funding in USD million (1)**

<b>Donor Name</b>	<b>2008-09</b>	<b>2010-11</b>
European Union Food Facility	0.4	211.2
European Union – Other	189.3	203.0
<b>Subtotal: European Union</b>	<b>189.7</b>	<b>414.2</b>
United States of America	81.4	160.0
Spain	64.7	142.7
Multilateral Contributions	116.3	135.7
UN Office for Coordination of Humanitarian Affairs	63.4	86.6
UNDP and UNDP Administered Donor Joint Trust Fund	56.6	69.0
Italy	57.1	58.9
Japan	24.8	46.8
Belgium	28.9	32.5
United Kingdom	24.2	31.5
Common Fund for Humanitarian Action in Sudan and in Somalia	25.9	27.8
Sweden	56.9	26.9
Global Environment Facility	7.2	27.4
Germany	19.4	25.4
Australia	10.2	22.8
Canada	10.1	21.7
Saudi Arabia	19.9	21.6
Norway	28.7	20.3
Netherlands	33.4	20.1
World Bank and Regional Development Banks	12.2	18.3
Afghanistan	8.5	15.4
United Nations Development Group Office (DGO) Service & Support UNDG/EXECCOM Secretariat	23.9	14.9
Brazil	12.3	13.5
<b>Subtotal</b>	<b>975.7</b>	<b>1,454.0</b>
Other Donor Countries	86.0	110.4
Other Donors	41.9	42.8
Other UN Donors	11.6	11.4
<b>Subtotal</b>	<b>139.5</b>	<b>164.6</b>
<b>Total</b>	<b>1,115.2</b>	<b>1,618.6</b>

Note: (1) Total extrabudgetary expenditures exclude administrative and operational support costs credited to the General Fund and the cost of emergency operations incurred in the Division of Emergency and Rehabilitation. In accordance with the Organization's accounting policy, trust fund contributions are recognized when expenditures are actually incurred.

### **Cost of field programme support**

259. The provision of technical assistance is part of FAO's mandate, as specified under Article I 3 (a) of the Constitution, which states: "It shall also be the function of the Organization to furnish such technical assistance as governments request". Technical assistance may be provided from the Regular Programme – especially under the TCP and SPFS – and from extrabudgetary resources under the GCP, UTF, UNDP or other arrangements for voluntary contributions to the field programme. Essential contributions to technical assistance and support to extrabudgetary activities include: i) technical support services, generally provided directly to Members; and ii) administrative

and operational support services to ensure effective delivery of activities defined through projects, whether funded from the Regular Programme (e.g. TCP projects) or extrabudgetary resources.

260. The Organization has made consistent efforts to measure and report in a transparent manner the cost of supporting the field programme and other extrabudgetary-funded activities. This is achieved through the annual Work Measurement Survey which involves the completion of a detailed questionnaire by relevant staff at headquarters and decentralized locations. The resulting data has been used in a number of ways:

- a) in the case of Technical Support Services, to provide an estimate of the extent of staff time and associated cost under the Regular Programme devoted to the provision of these services; and
- b) in the case of administrative and operational support services, to provide a factual basis for the establishment of project servicing cost reimbursement rates, and to facilitate actions aimed at reducing such costs or improving cost recovery.

#### *Technical Support Services*

261. Between 2008-09 and 2010-11, the total cost of Technical Support Services<sup>15</sup> increased from USD 88 million to USD 104.8 million (see *Figure 15* below). This reflected a rise of 39% in the delivery of extrabudgetary and other projects, whereas the costs of Technical Support Services as a percentage of total delivery fell from 7.2 percent to 6.1 percent.

**Figure 15: Technical Support Services**

	2008-09 (USD million)	2010-11 (USD million)
Total extrabudgetary, TCP and SPFS project delivery	1 226.9	1 706.8
Total cost of Technical Support Services	88.0	104.8
<b>Total as a percentage of total spend</b>	<b>7.2%</b>	<b>6.1%</b>

*Note: The figures include the impact of staff cost variance so as to reflect actual costs at budget rate of exchange between the Euro and the US Dollar.*

262. The USD 104.8 million cost of Technical Support Services represents the estimated cost of staff time under the Regular Programme devoted to the provision of these services. Of this amount, USD 29.7 million in 2010-11 (USD 24.2 million in 2008-09) was recovered from projects as a reimbursement. The slight increase in the percentage reimbursement rate from 27.5 percent in 2008-09 to 28.3 percent in 2010-11 is mainly the consequence of more accurate budgeting for Technical Support Services in project budgets.

263. On average, 26 percent of professional staff time in technical headquarters divisions or decentralized offices was devoted to providing these services in 2010-11 (see *Figure 16*), slightly less than the 28% recorded in 2008-09. Furthermore, staff in subregional and regional offices spend a greater proportion of their time (35 percent and 31 percent respectively) on these services, than staff at headquarters (24 percent) or in the FAOR programme (23 percent). The three Strategic Objectives with the highest proportion of staff time associated with Technical Support Services were:

- a) Strategic Objective L, Increased and more effective public and private investment in agriculture and rural development (39 percent);

<sup>15</sup> Technical support services are defined as: project design and formulation; project appraisal services; project monitoring and technical backstopping at headquarters, regional offices, subregional offices or in by FAORs; project evaluation and audit services; project reporting; and project meetings and tripartite reviews.

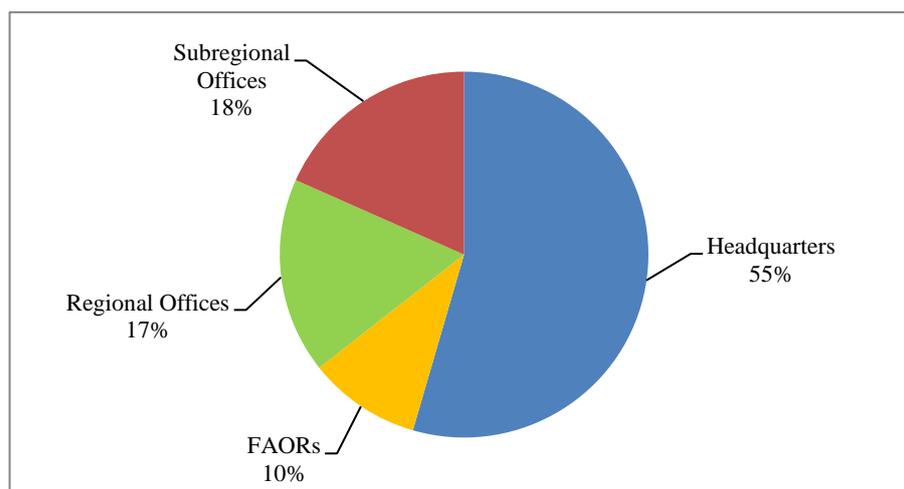
- b) Strategic Objective F, Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture (35 percent); and
- c) Strategic Objective A, Sustainable intensification of crop production (33 percent).

**Figure 16: Percentage of time of professional staff at headquarters technical departments or decentralized offices devoted to Technical Support Services, 2010-11**

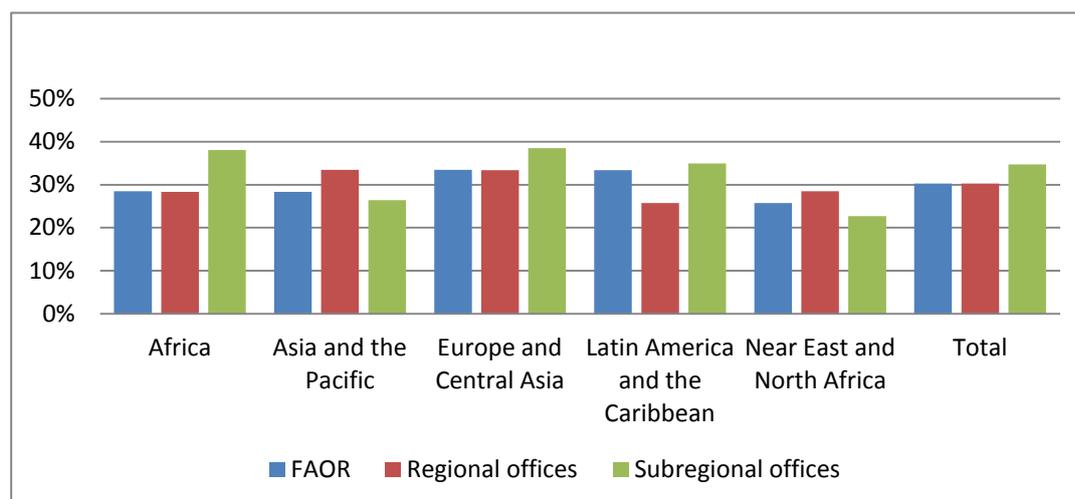
Strategic/Functional Objective	Headquarters (%)	Regional Offices (%)	Subregional Offices (%)	Total (%)
A - Sustainable intensification of crop production	27	51	45	33
B - Increased sustainable livestock production	23	38	32	27
C - Sustainable management and use of fisheries and aquaculture resources	24	48	32	27
D - Improved quality and safety of food at all stages of the food chain	14	48	46	20
E - Sustainable management of forests and trees	23	34	41	27
F - Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture	31	40	48	35
G - Enabling environment for markets to improve livelihoods and rural development	25	45	41	28
H - Improved food security and better nutrition	26	30	34	27
I - Improved preparedness for, and effective response to, food and agricultural threats and emergencies	28	56	43	29
K - Gender equity in access to resources, goods, services and decision-making in the rural areas	12	34	45	15
L - Increased and more effective public and private investment in agriculture and rural development	21	39	65	39
X - Effective collaboration with member states and stakeholders	8	19	25	18
Y - Efficient and effective administration	0	3	6	4
<b>Average</b>	<b>24</b>	<b>31</b>	<b>35</b>	<b>26</b>

*Note: Data was not collected in 2010-11 to show the allocation of staff time in the FAOR programme against the Strategic and Functional Objectives. Overall, however, they spent 23% of their time on Technical Support Services.*

264. However, taking into account the relative numbers of staff in each location, staff at headquarters provided the largest proportion of time on Technical Support Services (55 percent of the total – see *Figure 17*), followed by subregional offices (18 percent), regional offices (17 percent) and FAORs (10 percent).

**Figure 17: Provision of Technical Support Services by professional staff , 2010-11**

265. The regional distribution is shown in *Figure 18*. The highest percentage of staff time (over 35 percent) was in the Subregional Offices for Africa, Europe and Central Asia, and Latin America and the Caribbean. However, all decentralized offices with the exception of the Subregional Office for North Africa devoted more than 25 percent of their professional staff time to Technical Support Services in 2010-11.

**Figure 18: Percentage of professional staff time devoted to field programme support, 2010-11**

### *Administrative and operational support (AOS) services*

266. Administrative and operational support costs represent variable indirect costs incurred under the Regular Programme which are associated with project delivery.<sup>16</sup> Trends in the management of these costs have continued to improve: the rate of recovery of these costs from project budgets has risen; and they form a falling proportion of total project costs. Nevertheless, although the outlook is positive, further work is required to raise the proportion of these costs recovered from project budgets.

267. In the 2010-11 biennium, administrative and operational support costs totalled USD 163.2 million, USD 19.1 million more than in 2008-09 (see *Figure 19*). 84.4 percent of these costs were recovered from project budgets in 2010-11, an increase of 20 percent since 2006-07.

<sup>16</sup> AOS costs include: recruitment, briefing and servicing of project personnel; fellowships placement and servicing and formulation of study plans; selecting and procuring supplies and equipment; preparation and formalization of contracts; preparation, monitoring and revision of budgets and control of project expenditures; receipt, custody and disbursement of funds; maintenance of project accounts, financial reporting and support to external and internal audits location and recommendation of qualified personnel; coordination and supervision of project implementation (FC 93/4).

**Figure 19: Administrative and operational support costs and extent of reimbursement received from project budgets (field programme and other extrabudgetary-funded activities)**

	2006-07 (USD million)	2008-09 (USD million)	2010-11 (USD million)
Administrative and operational support costs	122.9	144.1	163.2
Reimbursements <sup>(1)</sup>	78.9	106.9	137.8
<b>Under-recovery of support costs</b>	<b>44.0</b>	<b>37.2</b>	<b>25.4</b>
<b>Net percentage of cost recovered</b>	<b>64.2%</b>	<b>74.2%</b>	<b>84.4%</b>

Note: (1) Includes AOS as direct costs recovered

268. Furthermore, although the absolute cost of administrative and operational support rose during the biennium, their cost relative to the total value of project expenditure has continued to fall (see Figure 20). In 2006-07, administrative and operational support costs were equivalent to 13.7 percent of project net delivery. By 2010-11, this had fallen to 9.6 percent.

**Figure 20: Administrative and operational support costs compared to project spend**

	2006-07 (USD million)	2008-09 (USD million)	2010-11 (USD million)
Total extrabudgetary, TCP and SPFS project delivery	898.3	1 226.9	1 706.8
Emergency operating costs	21.4	29.1	32.0
All other AOS costs	101.5	115.0	131.2
Total AOS costs	122.9	144.1	163.2
<b>Total AOS costs as a percentage of total delivery</b>	<b>13.7%</b>	<b>11.8%</b>	<b>9.6%</b>

Note: The figures include the impact of staff cost variance so as to reflect actual costs at budget rate of exchange between Euro and USD. Costs have been restated to include incremental indirect costs.

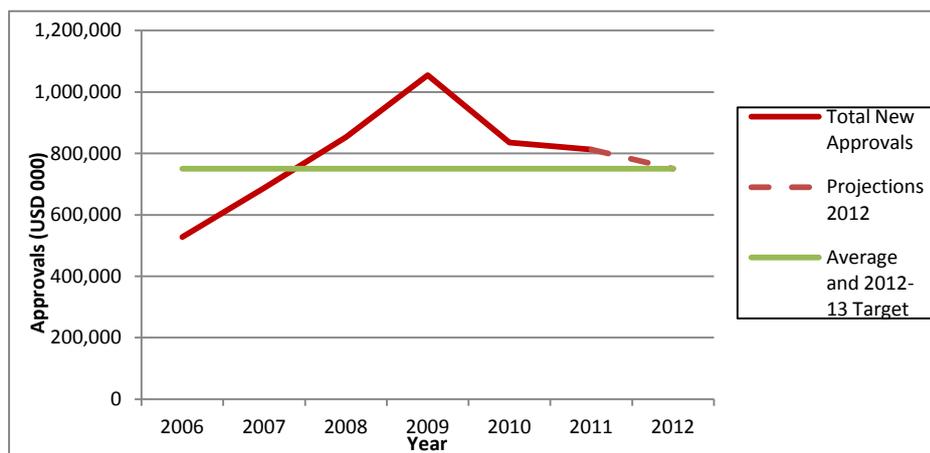
269. Three factors contributed to these trends: economies of scale resulting from increases in project spend; improved efficiency of internal processes; and greater cost awareness among staff and managers.

#### *Resource mobilization*

- Extrabudgetary agreements amounting USD 1.65 billion signed in the biennium, above the average since 2006.
- New strategy developed to meet the challenges of harsher prospects for resource mobilization.
- Training and other tools developed to strengthen the capacity of FAO staff to secure funding, particularly in the field.

270. In order to deliver its programme of work, FAO relies heavily on securing funding in addition to the assessed contributions. However, over the last biennium, the primary source of such funds - the advanced economies of the world - have experienced sluggish growth. The Rome-based Agencies have warned that fiscal constraints and continued economic hardship in the developed world may have serious repercussions in the fight against hunger and malnutrition.

271. Nevertheless, during the 2010-11 biennium, FAO signed agreements (i.e. mobilized) for extrabudgetary funds amounting to USD 1 648 million. This exceeds the average level of funds mobilized since 2006 (see Figure 21 below), although the average is heavily influenced by the exceptionally high funding from the European Commission through the European Union Food Facility in 2009.

**Figure 21: Value of agreements signed in 2006-2011 as at December 2011 and Projections 2012**

*Resources mobilized in 2011 are above the medium-term average.*

272. Since 2009, the total value of extrabudgetary contributions mobilized has declined year-on-year. The general downward trend highlights FAO's dependency on traditional resource partners. Although the sources of extrabudgetary contributions are diverse (FAO counts on over 120 different sources of funding), a large proportion of funding still comes from traditional partners such as Australia, Europe, Japan, North America, and multilateral funds. In 2010-11, the top twenty sources contributed 89 percent and the top four 38 percent of all voluntary contributions.

273. Over the last biennium, partners have increasingly emphasized the need for FAO to demonstrate value-for-money and concrete results at the country level. In the same vein, resource partners are increasingly decentralizing funding decisions to the country level. FAO's ability to access these resources will depend on engagement through the Country Programme Frameworks.

274. As such, sustaining and further expanding voluntary contributions from traditional resource partners will demand strong leadership at the country level coupled with focused country programmes that deliver development outcomes. Also, the Organization needs to ensure and document evidence that global outputs have a positive impact at the country level.

275. Finally, a significant share of voluntary contributions remains unpredictable. Around fifty percent of the voluntary contributions are for emergencies, for which precise forecasting is problematic. Also, with the trend to decentralize funding decisions to the country level, the forecasting of voluntary contributions is likely to become even more challenging in the future.

**Figure 22: Resources mobilized - Top 20 resource partners between 2008 and 2011 (USD 000) as at December 2011**

Resource Partners	2008 (USD 000)	2009 (USD 000)	Total 2008-09 (USD 000)	2010 (USD 000)	2011 (USD 000)	Total 2010-11 (USD 000)
European Union	104,215	408,940	<b>513,155</b>	114,072	147,552	<b>261,624</b>
<i>(Of which EU Food Facility)</i>	0	293,437	293,437	20,999	15,413	36,412
USA	71,655	49,507	<b>121,162</b>	109,707	66,669	<b>176,376</b>
Spain	60,063	131,786	<b>191,849</b>	73,514	21,732	<b>95,246</b>
UNOCHA	45,505	31,855	<b>77,360</b>	54,411	39,284	<b>93,695</b>
Italy	40,525	41,160	<b>81,685</b>	32,664	22,798	<b>55,462</b>
UNDP Administered Donor Joint Trust Fund	36,193	27,274	<b>63,467</b>	31,764	37,678	<b>69,442</b>
Japan	9,462	12,524	<b>21,986</b>	48,931	37,684	<b>86,615</b>
Belgium	15,043	22,264	<b>37,307</b>	26,697	19,720	<b>46,417</b>
Sweden	37,406	12,651	<b>50,057</b>	19,241	12,027	<b>31,268</b>
Canada	7,344	1,005	<b>8,349</b>	7,612	59,820	<b>67,432</b>
GEF	4,100	15,867	<b>19,967</b>	18,018	31,492	<b>49,510</b>
Germany	9,833	14,718	<b>24,551</b>	20,868	6,999	<b>27,867</b>
Norway	16,217	21,345	<b>37,562</b>	13,019	1,396	<b>14,415</b>
The Common Fund for Humanitarian Action in Sudan	16,958	10,276	<b>27,234</b>	17,483	7,020	<b>24,503</b>
UK	10,845	2,630	<b>13,475</b>	23,522	13,885	<b>37,407</b>
Netherlands	15,409	17,674	<b>33,083</b>	8,640	3,017	<b>11,657</b>
Australia	1,057	6,672	<b>7,729</b>	9,595	14,034	<b>23,629</b>
UNDP	7,015	11,114	<b>18,129</b>	5,838	6,325	<b>12,163</b>
Multilateral	213,034	39,158	<b>252,192</b>	71,601	50,379	<b>121,980</b>
<i>(Of which FMM-Funded)</i>	0	0	0	23,739	1,253	24,992
UTF Projects	59,464	55,394	<b>114,858</b>	49,282	108,022	<b>157,304</b>
Other Resource Partners	71,548	121,140	<b>192,688</b>	78,659	105,645	<b>184,304</b>
<b>Total Approvals</b>	<b>852,892</b>	<b>1,054,956</b>	<b>1,907,848</b>	<b>835,137</b>	<b>813,179</b>	<b>1,648,316</b>

FAO raised USD 1.6 billion in 2010-11. As in the previous biennium, the European Union, the USA and Spain were the largest donors.

### *FAO's strategy for handling these trends*

276. In the face of uncertain times and a challenging resource environment, FAO took a number of steps in 2010-11. The Organization launched a new Resource Mobilization and Management Strategy, consolidated partnerships with traditional donors and reached out to new partners, launched the Impact Focus Areas initiative to link work at *the global and country level, and developed* capacity for resource mobilization throughout the Organization with a focus on decentralized offices.

#### *Developed FAO's Resource Mobilization and Management Strategy*

277. In October 2011, FAO governing bodies approved the new Resource Mobilization and Management Strategy. The Strategy focuses on forging resource partnerships built on trust and mutual accountability. It aims to achieve adequate and more predictable voluntary contributions that fully support FAO in meeting its objectives. In particular, it will work towards consolidating, diversifying and expanding FAO's resource partnerships; creating a wide awareness of FAO's priority areas and resource requirements; promoting an enhanced capacity for resource mobilization throughout the Organization; and ensuring that resources are effectively managed for results, which are reported to the governing bodies and external partners.

#### *Consolidated partnership with traditional donors and an expanded resource base*

278. Most extrabudgetary funding comes from a narrow base of traditional partners. In order to develop more strategic collaboration and predictable funding flows with these partners, FAO launched the Multi-partner Programme Support Mechanism. Voluntary contributions provided through this mechanism are no longer tied to a specific programme or project, but contribute to FAO's integrated budget. Depending on the resource partner, resources are either completely unassigned or loosely associated to Strategic or Functional Objectives. Sweden and the Netherlands were the first resource partners to provide funds to this mechanism, providing around USD 26 million to be deployed until 2013.

279. At the same time, FAO took steps to diversify the resource base. FAO forged new partnerships with Brazil, China, Estonia, Romania, Russia and Turkey. The Organization also sought to expand the engagement with Unilateral Trust Funds,<sup>17</sup> multilateral funds, UN Joint Programmes and South-South Cooperation modalities, with good results. In terms of the Unilateral Trust Funds, major contributors included Afghanistan (close to USD 33 million), Brazil (USD 12 million), Honduras (USD 11 million) and Libya (USD 9 million).

#### *Launch of the Impact Focus Areas*

280. Impact Focus Areas were introduced in the Medium Term Plan 2010-13 as a corporate communications tool to support resource mobilization. The aim is to help countries apply, at the national and regional levels, lessons, recommendations and good practices identified by FAO's global normative work, thereby improving food and nutrition security, and the sustainable management of natural resources. To date, FAO has mobilized over USD 40 million under this initiative at the global level.

#### *Enhanced capacity development for the decentralized offices in resource mobilization*

281. The decentralization of funding decisions to the country level has put new demands on FAO's regional and country offices. The decentralized offices are now expected to play an increasingly important role both in the mobilization of resources and in the implementation of activities. As a response, FAO is developing strategies for its regional and subregional offices, detailing both how resources will be mobilized at the local level and how country offices will be assisted in managing those resources as effectively as possible. This training offers an integrated approach to country-level priority setting, country work plan and project cycle, and the resource mobilization process.

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<sup>17</sup> Technical assistance projects financed by the recipient countries themselves from their own national resources or from loans, credits and grants made by International Financing Institutions.

282. In addition, FAO developed a guide for staff on resource mobilization, developed training modules on how to engage with the European Union and Unilateral Trust Funds, launched a corporate Resource Mobilization Web site to facilitate information sharing, and launched the Agricultural Development Assistance Mapping (ADAM) tool. ADAM uses information from the OECD-DAC database to help users determine FAO's comparative advantage, match priorities and formulate resource mobilization strategies.

#### **Resource mobilization in action: the Agricultural Development Assistance Mapping (ADAM) tool**

The inception of ADAM over the last biennium has offered FAO staff a comprehensive platform to assess potential resource partners for the very first time. ADAM matches data from external sources, such as the OECD database on resource partner spending, with internal FAO databases on FAO-government agreed priorities and FAO resource partner priorities.

The resulting data has allowed users to identify potential partners in priority areas where they have funding gaps. In the Gambia, for example, FAO staff have used ADAM to identify potential partners who they were not aware were active in the country. This will allow FAO to sustain more predictable funding for its programme of work in the country in the coming years. Ministry counterparts in the Gambia have shown their appreciation for the tool, as they seek funding for the USD 300 million National Agriculture Investment Programme.

#### ***Outlook and lessons learnt***

283. Internal analysis and preliminary discussions with traditional resource partners point to a conservative estimate that FAO will mobilize some USD 750 million in voluntary contributions in 2012 and USD 1 500 million for the biennium. These estimates, though, may prove optimistic, as they are highly vulnerable to continued economic turmoil and uncertainties at the global marketplace, and the impact these forces may have on the availability of development assistance.

284. Responding to these challenges will require firstly that FAO is more focused and more aligned with the expectations of its stakeholders in how it performs, in terms of achievements and of key management processes, in particular, value for money, corporate results reporting, coordination at global and regional levels, and information sharing. Secondly, FAO will need to build on the successes of its Resource Mobilization and Management Strategy during the biennium, in particular through:

- a) adapting to the changing resource partner landscape, increasing the engagement with emerging partners and investing in expanding current partnerships with the private sector and foundations; and
- b) improving the internal management of resource mobilization, by clarifying roles and responsibilities, establishing transparent, robust processes and developing an integrated programme and budget that covers all activities, regardless of funding source.

#### ***Capital Expenditure***

285. Conference Resolution 10/2003 established the Capital Expenditure Facility to integrate capital expenditure planning into FAO's budgeting and financial framework. Resource requirements relating to seven areas were factored in the PWB 2010-11 for: a) Core ICT Infrastructure; b) Corporate Administrative Applications; c) Corporate Technical Applications; d) Electronic Content and Document Management Systems; e) IPSAS (including FAS); f) Management Information Systems; g) Support Human Resources Management Framework.

## ***Progress in implementation***

### *Core ICT infrastructure*

286. Fifty-eight decentralized offices have benefitted from new file and e-mail servers, providing greater reliability, improved backup, and increased storage capacity for files and e-mail. A virtualized server hosting environment, based on flexible cloud-computing concepts, has been successfully introduced. More than 100 systems have been migrated to the new platform which provides more efficient and cost-effective hosting for the entire Organization.

287. At headquarters, all e-mail accounts and all file and print services have been migrated to a high-availability centralized service, which has enabled departments to increase mailbox sizes, and have access to double the amount of storage space for files. The core e-mail routing infrastructure has been upgraded, including the introduction of a modern anti-spam system, which prevents around 750 000 spam messages daily from reaching FAO staff. An internal Web casting system has been successfully implemented, providing streaming services to staff in multiple languages. IT Disaster Recovery capabilities have been enhanced.

### *Corporate administrative applications*

288. Improvements to the various systems that are part of FAO's Enterprise Resources Planning system continued during the biennium with a large number of modifications and enhancements implemented to ensure that FAO business processes are effectively and efficiently carried out through the utilization of an up-to-date consolidated system portfolio. This included added functionality required for the completion of the performance management cycle, as well as for the launch of iRecruitment.

289. During this period, activities also took place to bring the corporate Enterprise Resources Planning environment forward and establish a baseline architecture in view of the Global Resource Management System project, which includes the introduction of International Public Sector Accounting Standards, the replacement of the Field Accounting System and the Atlas Travel system.

### *Corporate technical applications*

290. Scalable hardware infrastructure was deployed to support the needs of the Technical Corporate Repository and Statistical Data Warehouse. The "one-stop-shop" portal, [data.fao.org](http://data.fao.org), is available for internal review and will be made available publically in early 2012. The majority of technical departments have contributed datasets, which as of today total 356 million statistical facts. Making the data available in one place is putting greater emphasis on harmonization and data quality. In the meantime, the Statistical Working System produced statistical standards, numerical methods, workflows and guidelines – the groundwork required to implement the statistical working system for Agricultural Production and the Food Balance Sheet in 2012-13.

### *Electronic Content and Document Management Systems:*

291. The Content Management System project aims to converge Web publishing into a single FAO Web publishing service. Good progress is being made: between 2010 and 2011, the percentage of [www.fao.org](http://www.fao.org) page views handled by this service grew from 23 percent to 59 percent; and the project is about to decommission the home-grown Distributed Website Management System for Web publishing environment, thereby reducing duplication.

292. The document and workflow management system was expanded for use by additional offices allowing for efficient and effective collaboration and communication as it relates to various types of documents and content. The technology framework of the system, which was becoming obsolete, was successfully updated allowing for a common up-to-date technology framework utilized for all document management applications, including the new corporate records management system.

### *Global Resource Management System*

293. During 2010, the projects to implement the International Public Sector Accounting Standards, which included replacing the Field Accounting System, the upgrade of the Oracle Enterprise Resource

Planning systems to Release 12, and the new travel application to retire ATLAS were consolidated into a single programme in order to exploit synergies in various activities (management, design, development, test, communication and training). This new approach allowed the IPSAS project to exploit the new functionality available on Oracle Release 12, while ensuring that the Organization will not be required to rely on an unsupported version of its Enterprise Resources Planning system in 2013. The programme approach also helped re-focusing on business benefits and process improvements in a more holistic manner, particularly extending the scope of the programme to all processes covered by standard functionalities such as procurement and non-staff human resource processes, in all FAO locations.

294. In terms of the management and delivery structure, the programme adopted a more cohesive approach. The Programme Management Office was established to exploit synergies and became fully operational during 2011. The Office services all administration, budget monitoring, office space management, recruitment, procurement operations. A Quality Assurance Team was formed to coordinate and support testing activities in 2012-2013.

295. On the delivery side, the programme was restructured to include output focused teams: technical, integration, infrastructure and Management Information Systems, IPSAS non-system, field, Procurement, Accounts Payable, Accounts Receivable, Cash Management, Fixed Assets, General Ledger, Human Resources Recruitment, Post Management, Staff Development, PEMS, Staff and non-staff servicing, Payroll.

#### *Management Information Systems*

296. The 2010-2011 biennium saw the first steps towards establishing an integrated Management Information System for FAO. The project developed a wide array of outputs for use by headquarters and decentralized offices so that they can perform their work more efficiently and effectively. This included Human Resource reports and analytics, financial reports automatically delivered to Field and Project offices, Regular Programme contributions monitoring capabilities, procurement management, and monitoring mechanism for the Immediate Plan of Action.

#### *Support Human Resources management framework*

297. Many enhancements and changes to the FAO Oracle HR applications including iRecruitment, Learning Management, Position Management, and Performance Management were implemented. Additional activities and small projects were initiated to analyse, design, and test solutions to resolve integration issues, to enhance user interactions with the FAO ERP applications and to reduce manually intensive workarounds. The iRoster design, development, and testing activities were completed in 2010 and the iRoster Search tool was deployed during the last quarter of 2011 in conjunction with training on iRecruitment.

#### *Security Expenditure Facility*

298. The Security Expenditure Facility was approved by the FAO Conference in November 2005. The budget and expenditure for safeguarding staff and assets at headquarters and in the field are specified under the PWB 2010-11 special-purpose Chapter 18: Security Expenditure and are managed by the Security Service.

299. FAO is part of a common, UN-wide approach to defining and enacting security policies and services. The Chief Executives Board for Coordination endorses the Security Risk Management modality and the budget of the central UN Department of Safety and Security, which is then cost-shared across the UN system. Regional and country Security Advisors support UN System entities on ways and means to reduce identified risks and on mitigating measures.

300. During the biennium, the Director-General continued to serve as Designated Official for UN security in Italy and chaired the Security Management Group, in accordance with specific bilateral arrangements agreed with the UN Department of Safety and Security. In this regard, FAO sought to ensure that due attention was paid to the needs of its decentralized offices by the UN Security Advisors and was actively involved in the design and implementation of UN security policies, through its participation in various interagency liaison mechanisms.

### *Headquarters security*

301. In 2010-11, routine work has involved screening and granting access to around 250 people per day and processing more than 60 000 building passes per year. In addition, two major events with the participation of numerous heads of state and government were serviced.

302. The Security Service upgraded the fire alarm systems, anti-intrusion alarm systems and closed circuit TV cameras, and installed new digital recorders and radios. New access-control policies for people and vehicles developed in 2008-09 have been progressively implemented in 2010-11, including the construction of the Security Access Pavilion.

### *Field security*

303. The compliance rate of FAO decentralized offices with UN security standards rose from 75 percent in 2008-09 to more than 85 percent in 2010-11. This was achieved by improving the coordination and advisory services with the field and by funding the procurement of security equipment and services. In collaboration with the outposted Security Officers from the UN, FAO's security service mapped the risks to FAO decentralized offices, and identified mitigating measures unique to FAO offices and personnel.

304. For the remaining 15 percent of offices, achieving compliance with UN security standards will be more complex and expensive. For the most part, it will require relocation to new office space. In this, FAO depends to a large extent on the cooperation from the host government authorities. FAO's Security Service also oversaw the relocation of FAO staff from four locations, three in North Africa and one in Asia, as the result of civil disorder or natural disasters.

305. FAO fully complies with the United Nations Security Management System 's principle of "how to stay" as opposed to "when to leave" to guide its policies in insecure or unstable environments. FAO released a New Field Security Policy to clarify the responsibilities of all stakeholders, and will be developing guidelines so that this principle can be applied safely in practice.

306. FAO also deployed security professionals to decentralized offices to provide direct assistance and security advice to FAO managers, liaise with FAO and UN security personnel, and review compliance of FAO facilities with UN security standards. In 2011 FAO appointed an International Security Officer in Islamabad covering both Pakistan and Afghanistan and one national Security Officer for Somalia based in Kenya. These two Security Officers are working in close collaboration with FAO Programmes in order to strengthen the security assistance and thus ensure higher level of efficiency. This has led to the implementation of preventive measures, including the ability to respond quickly to security requests from FAO Representations and to provide a follow-up on formulated recommendations in order to increase the level of compliance with UN standards.

### *Outlook and lessons learnt*

307. FAO is reinforcing the cooperation with host countries, UNDSS experts and is slightly expanding the presence of International Security Officers in high-risk countries. In 2012-13, FAO will continue the implementation of the *Action Plan to improve security, safety and crisis management activities in FAO*. The aim is to further mainstream security risk management and support into all programme and operational activities of FAO. In this, training will play a significant role for staff in general and security specialists, with particular emphasis on security awareness, profiling, fire safety and access control and meeting the needs of the field.

**Figure 23: Security Expenditure 2010-11**

<b>Q01: Headquarters Security Regular Programme</b>	<b>USD 000</b>
Net Appropriation	13,994
Deferred Income	(70)
Adjusted Programme of Work	14,064
<b>Expenditure at budget rate</b>	<b>13,843</b>
<i>Variance of expenditure (Over)/Under</i>	<i>221</i>
<b>Total Resources</b>	<b>14,064</b>
<b>Q02: Field Security Regular Programme</b>	<b>USD 000</b>
Net Appropriation	9,498
Deferred Income	(4,021)
Adjusted Programme of Work	13,519
<b>Expenditure at budget rate</b>	<b>8,112</b>
<i>Variance of expenditure (Over)/Under</i>	<i>1,386</i>
<b>Total Resources</b>	<b>13,519</b>

## **B. Committed to improve**

308. FAO is a learning Organization. To be effective, it needs to continuously adapt to an increasingly uncertain environment, and develop competences to cope with future changes. Efficiency, effectiveness and value for money are increasingly important elements of the way FAO seeks to implement its programmes and activities. This section of the report deals with five cross-cutting initiatives that aim to ensure that FAO is able to meet the challenges of the 21<sup>st</sup> century:

- The Immediate Plan of Action for FAO Renewal;
- Efficiency savings;
- Innovation Fund;
- Multidisciplinary Fund; and
- Corporate greening.

### *Immediate Plan of Action*

- The Immediate Plan of Action contains 274 actions for FAO's renewal. By the end of the biennium, 221 of these had been completed (81 percent).
- Main outstanding priority is to identify and report on benefits.

309. The 2010-11 biennium has seen the Organization fully engaged in the implementation of the Immediate Plan of Action (IPA) for FAO's renewal. The IPA represents a comprehensive and ambitious package of reforms designed to make FAO fit and responsive to the needs of 21st century.

310. The overarching objective for the IPA during 2010-11 has been to continue transforming the Organization into one that manages for results, supported by the key areas of "functioning as one",

human resources reform, and reform of administrative and management systems, with these activities underpinned by a programme of culture change, and governance and oversight reform.

### *Quantitative progress and status of IPA actions during 2010-11*

311. The Figure below shows the quantitative progress in IPA implementation during the biennium. In summary, of the 274 IPA actions 118 were completed in 2009, 25 in 2010 and 78 in 2011, bringing the number of completed IPA actions to 221. The number of IPA actions carried forward to 2012-13 is 53.<sup>18</sup> While it is too early to realize the full benefits of many of the reforms, some key tangible benefits are starting to emerge as IPA implementation progresses. In November 2011, FAO reported the vision and anticipated benefits of the reform to Council in document CL 143/10.

**Figure 24: Quantitative progress and IPA statuses during the 2010-11 biennium**

Status	As at 31/12/2009	As at 31/12/2010	As at 31/12/2011
Completed in 2009	118	118	118
Completed in 2010	-	25	25
Completed in 2011	-	-	78
<b>2010-11 IPA Programme</b>	154	-	-
On track	-	102	41
Minor delays	-	15	1
Major delays	-	0	9
Other	-	12	0 <sup>19</sup>
Proposed for Deletion	-	-	2
<b>Total</b>	<b>272</b>	<b>272</b>	<b>274</b> <sup>20</sup>

### *IPA financials*

312. The gross IPA programme budget for 2010-11 totalled USD 44.91 million. At the end of December 2011, the net IPA expenditure for 2010-11 totalled USD 40.43 million leaving an unspent IPA balance of USD 4.476 million. The detailed budget and expenditure information for each IPA project in 2010-11 is indicated in the table below.

313. As authorized by the Conference Resolution 5/2011 (C 2011/REP), the full unspent balance of the 2010-11 appropriations USD 4.476 million will be used for full implementation of the IPA, including one-time IPA investment costs to be incurred during the 2012-13 financial period. USD 1.028 million will be added to the one-time investment costs in 2012. The remaining USD 3.448 million will compensate/offset 2012-13 budgeted recurrent IPA costs, which will then be utilized as a contribution to efficiency savings in 2012-13.

<sup>18</sup> CL 143/10 Web Annex, presented to the November 2011 session of Council provided a brief explanation of the reasons behind the major delays reported for six IPA actions.

<sup>19</sup> During 2011 Management developed a revised set of IPA statuses, to improve the definition of "On track", "Minor delay" and "Major delay" and re-classify the 12 actions in the "Other" category as at 31/12/2010 accordingly.

<sup>20</sup> As reported in CL 143/10 Web Annex, during 2011 Management introduced two new IPA actions, Reform Communications with Staff and with Members, increasing the total number of IPA actions from 272 to 274.

**Figure 25: IPA budget and expenditure 2010-11 (USD millions)**

	Original Budget	Total Expenditure	Balance
Project 1. Governing Body Reform	3,350	3,109	0,241
Project 2. Audit	0,300	0,244	0,056
Project 3. Evaluation	1,100	1,046	0,054
Project 4. Ethics	1,000	0,906	0,094
Project 5. Reform of Programming, budgeting and RBM	0,900	0,365	0,535
Project 6. Publishing in all languages of the Organization	0,380	0,395	-0,015
Project 7. Resource Mobilization and Management	1,434	1,179	0,255
Project 8. Technical Cooperation Programme	0,280	0,153	0,127
Project 9. Decentralization	0,390	0,360	0,030
Project 10. Headquarters Structure	0,630	0,637	-0,007
Project 12. Partnerships	1,380	1,204	0,176
Project 13. Procurement	3,185	3,008	0,177
Project 14. Travel	0,300	0,124	0,176
Project 15. Translation and Printing	0,200	0,153	0,047
Project 16. Registry	2,400	2,530	-0,130
Project 19. Improve Telecoms Connectivity to DOs	5,145	4,695	0,450
Project 20. Oracle R12	2,350	2,381	-0,031
Project 21. Other IT Actions	3,570	2,946	0,624
Project 22. Enterprise risk management	0,700	0,477	0,223
Project 23. Culture Change	2,300	1,642	0,658
Project 24. PEMS	1,400	1,285	0,115
Project 25. Competency Framework	2,143	2,057	0,086
Project 26. Mobility	1,650	2,200	-0,550
Project 27. Other Human Resources Actions	5,270	4,429	0,841
Project 28. Management follow-up	2,853	2,721	0,132
Project 29. IPA Communications	0,300	0,188	0,112
<b>Total</b>	<b>44,910</b>	<b>40,434</b>	<b>4,476</b>

**IPA direction from 2012**

314. During 2012 Management will take action in three main areas:

- a) A benefits realization initiative will be launched to identify and report on the benefits accrued and accruing from implementation of the IPA programme.
- b) IPA actions will be mainstreamed into the work of FAO divisions and departments.
- c) Completion of open IPA actions will be accelerated during 2012 in order to complete as many actions as possible within 2012.

*Efficiency savings*

- Continuing biennial efficiency savings totalled USD 37.5 million, achieving the target set. Nearly half of the savings came from the delayering of Director posts.
- The target of USD10.4 million for one-off savings was achieved.

315. Conference Resolution 3/2009 approved a 2010-11 budgetary appropriation of USD 1 000.5 million which included a reduction of USD 12.4 million for unidentified efficiency gains and USD 10.4 million for one-time savings. These were in addition to the USD 19.6 million in efficiencies already planned in the PWB 2010-11 and USD 5.3 million in savings to be achieved under the Immediate Plan of Action for FAO Renewal. The Conference requested the Director-General to report to the Finance Committee ongoing adjustments to the Programme of Work for unidentified further efficiency gains and one-time savings which were not reflected in the Chapter structure at that time.

316. The Finance Committee, at its 132nd Session in April 2010, recognized the importance of pursuing efficiency savings both through sectoral initiatives by divisions, as well as through corporate savings. It invited the Secretariat to be mindful of preserving the quality and efficiency of services to Member Nations in line with the approved definition of efficiency savings.<sup>21</sup> The tentative distribution of planned efficiency gains and one-time savings across the budgetary Chapters was reviewed by the Committee at its 135<sup>th</sup> session in October 2010 and a progress report was included in the Mid-term Review Synthesis Report – 2010.<sup>22</sup>

317. FAO achieved approximately USD 37.5 million of recurrent savings in the 2010-11 biennium, including the biennial savings of USD 5.3 million through IPA actions, which is fully in-line with the recurrent amount foreseen in the budget of USD 37.3 million. These savings were achieved through measures put in place in five corporate categories of efficiencies.

318. **Achieving lower costs of inputs** (estimated efficiency gains of USD 7.1 million). This includes initiatives to reduce consultant, IT, communications, travel, and medical costs. For example, in the area of travel, lower costs were achieved through the use of a more cost-effective services contract, early travel arrangements and advance ticket booking, as well as increased use of low-cost flights and Internet ticket purchasing. Additional savings were achieved by promoting green initiatives such as rationalizing the use of printers. Savings on telecommunications costs resulted from investment in connectivity, aggressively seeking lowest-cost telecommunication providers, and increased use of tele- and video-conferencing.

319. **Streamlining of administrative and operational support processes** (estimated efficiency gains of USD 6.7 million). FAO put in place several initiatives in this area, including a new registry management system; reduced translation and interpretation costs; better use of Web and electronic versions of reports; and better targeting of document recipients. With the revision of the corporate procurement policy effective January 2010, cooperation with other UN Agencies allowed FAO to save on 23 UN framework Agreements by avoiding duplicative tender processes and secondary reviews. A Common Procurement Team for headquarters joint tendering was established by the three Rome-based Agencies which led to savings due to greater leverage on the market.

320. **Selective delayering of Director-level posts** at headquarters has resulted in savings of approximately USD 18.5 million in 2010-11. Altogether, the delayering entailed the reduction of 40 director-level positions at headquarters since 2008, as well as a number of associated general service positions that were either abolished, downgraded or their functions revised for a total biennial savings of USD 23.4 million, the final USD 2.5 million of which will be realized in 2012-13.

321. **Progressively adjusting the human resources input mix** (estimated efficiency gains of USD 3.1 million) includes the downgrading of some posts, such as those vacated by retirees and encouraging the increased use of junior professionals. Due attention is given to carefully manage such

<sup>21</sup> CL 110/REP para, 24

<sup>22</sup> PC 106/7 – FC 138/6, paragraphs 36 – 43.

adjustments in order to ensure career opportunities for staff and the best mix of staff and non-staff human resources to deliver services, and to ensure that critical institutional technical knowledge and capacity are maintained. Also, in 2010 FAO introduced a freeze in honoraria for renewal of consultant's contracts and the lowering of the honoraria for UN retirees.

322. **Increasing the funding base of the Programme of Work through further extrabudgetary resources** (estimated efficiency gains of USD 2.1 million). Recovery of FAO's costs was generated from: i) reimbursements from WFP and IFAD for services provided by the FAO Visa unit; ii) improved capacity in recovering of income generated by housekeeping and utility costs; iii) shared funding of posts where extrabudgetary resources contributed directly to the Programme of Work; iv) review and improvement of cost recovery policy, including monitoring and timely recovery of income earned; v) more efficient cost recovery of technical support services rendered to TCP and Trust Fund projects; and vi) collaborative efforts with other agencies on mobilizing extrabudgetary resources.

#### *One-time savings*

323. The Conference clarified that the USD 10.4 million in one-time savings should comprise initiatives aimed at realizing one-time, fortuitous savings only in the 2010-11 biennium. On the one hand, post vacancies were exceptionally managed through temporary hiring of short-term personnel generating one-time savings without compromising the required deliverables under the Programme of Work. Other one-time savings were achieved through reduced travel, reduced scope or cancellation of programmed meetings and documentation, and deferral of other discretionary operational expenditure such as equipment purchases.

#### *Innovation Fund*

- 23 innovative projects supported.
- Projects supported by the Fund delivered efficiency savings and improved environmentally-friendly practices.

324. The FAO Innovation Fund was established to encourage creative proposals and to provide seed money for developing and adopting promising new ideas that could make the Organization more efficient and effective. The Innovation Fund is intended for use both as seed money, to invest where necessary to achieve savings and increase effectiveness, as well as incentives/rewards for units that present convincing and innovative proposals. FAO allocated USD 1.4 million to the Fund for the 2010-11 biennium.

325. The Innovation Fund defines innovations as new and better ways of working that:

- a) result in **efficiency savings** through lowering the cost of inputs, streamlining administrative and operational support processes, adjusting the human resources mix, improving cost recovery, or delayering; and/or
- b) **increase the effectiveness** with which programme outputs are delivered as well as reduced cost of programme inputs.

326. Proposals are assessed and selected through a competitive application process, and the innovations are expected to demonstrate results and impact, measured against baselines with quantitative and qualitative indicators.

#### *Use of the Innovation Fund in 2010-2011: facts and figures*

327. In 2010-11, over 40 proposals were received. After a thorough review, 23 proposals were funded, of which 8 were housed in decentralized offices. The selected proposals supported creative, cost-cutting approaches to decentralizing workflows, resource mobilization and fund raising, delivering on FAO's core functions, upgrading information and communication technologies, facilitating inter-disciplinary and cross-departmental partnerships and enhancing the Organization's human resources function.

328. In 2011, the Innovation Fund Advisory Group identified a number of particularly successful outcomes, which it has recommended be given increased visibility throughout the Organization. A targeted communications strategy will be developed in 2012 to ensure that lessons learned are disseminated and to encourage replication and Organization-wide uptake of these initiatives in other offices and departments.

329. Examples of successful innovations where there is scope for replication in 2012-13 and beyond include:

- **An environmentally-friendly office system**, designed and implemented by the FAO country office in Peru. This project implemented a “Green Office” plan comprising of a recycling programme, more efficient uses of water and electricity and an awareness campaign, to achieve long-term reductions in energy costs and enhanced environmental protections. With a minimal investment of USD 8 500, the FAO Representation in Peru is demonstrating that substantial recurrent savings can be made in terms of electricity (10%), water (30%) and paper (15%) related costs.
- **Automating the development of e-learning for FAO member countries**, led by the Office of Knowledge Exchange, Research and Extension. The project developed an automated system for the creation of interactive e-learning courses currently servicing over 160 000 users globally and covering a range of issues including food security; Codex Alimentarius; Right to Food; impact assessment; and plant genetic resources. The new system is expected to reduce the time for the production of interactive materials by 50%, reducing costs by USD 75 000 per annum. These savings are likely to increase over time, given the growing demand for e-learning. In addition, the project contains a Learning Object Repository for managing already developed content. FAO expects that such a repository will reduce time spent on content management by 10%, leading to additional savings of USD 15 000 per annum.
- **Advancing FAO communication, marketing and fundraising strategies using mobile technology**, developed by FAO’s Forestry Department. Timed to coincide with the International Year of the Forest, FAO’s Forestry Department developed a mobile application to bring FAO’s work on forests to a growing generation of mobile technology users. The mobile application offers users the option to donate directly to forestry-related TeleFood projects at the country level. The mobile application has enabled the Forestry Department to potentially reach an additional 120 million users. By streamlining and decentralizing the donation process, mobile applications have the capacity to greatly increase voluntary contributions from the general public. It is estimated that direct marketing through the mobile application as opposed to traditional face-to-face information sessions will accrue to more than USD 10 000 per annum in departmental savings.

#### *Multidisciplinary Fund*

330. The Multidisciplinary Fund aims to strengthen collaboration across disciplinary and departmental lines, by awarding grants for advancing collaborative and cross-cutting work at FAO.

331. FAO allocated USD 3.1 million to the Fund for the 2010-11 biennium, which was used to support seven proposals: climate change; gender and food security; improved availability and quality of statistics; assessment and management of priority biosecurity risks; strengthening policy work at country level on agricultural investments; knowledge sharing and capacity development; and markets as ways to improve livelihoods and rural development.

332. Qualitative feedback indicate that the Multidisciplinary Fund has been successful in promoting cross-cutting areas of work, both within and across Strategic and Functional Objectives, and as a way to apply the core functions to the work of FAO. Improved collaboration, knowledge sharing and teamwork were highlighted as key results of the awards, in addition to technical achievements. Awardees reported substantive achievements, such as an improvement in the quality of statistics as a result of increased interdepartmental collaboration, while others highlighted that the Fund helped share knowledge and improved gender mainstreaming initiatives.

333. Examples of the type of work supported by the Fund include:

- a) **Higher quality statistics through enhanced coordination across FAO technical and statistical units.** Cross-departmental working can improve both the range of statistics generated and the value they add. The Multidisciplinary Fund supported cross-cutting work that led to the FAO height database being updated, improving data on stunting and undernutrition; factored specialized knowledge on the livestock and food nutrition into production statistics and FAO food balance sheets; and supported the creation of a Standard Data and Metadata Exchange registry for fisheries.
- b) **Mainstreaming gender in FAO fisheries and aquaculture work.** The Multidisciplinary Fund supported a Special Workshop on Future Directions for Gender in Aquaculture and Fisheries Action, Research and Development, held in Shanghai, China immediately following the Third Global Symposium on Gender in Aquaculture and Fisheries. This workshop involved fisheries, aquaculture and gender experts from Asia-Pacific, Europe and Africa, many of whom were participants in the Global Symposium. The workshop resulted in an agreed platform for action and strengthened and broadened existing gender in aquaculture and fisheries networks involving FAO, IGOs, NGOs and academic institutions. It also supported an internal stocktaking and planning exercise on mainstreaming gender in FAO's work on fisheries and aquaculture management and development.

#### *Corporate greening*

- Developed an Emission Reduction Strategy for 2012-2014 which forecasts 4.8% per capita reduction in emissions.
- FAO emissions of CO<sub>2</sub> over the biennium reduced by 1 388 metric tonnes, equivalent to the annual output of 270 family cars.

334. The levels of carbon emissions from FAO's operations are not abnormal considering its work and responsibilities, but reducing the Organization's carbon footprint increases the chances of success in combating climate change and developing sustainable agriculture. Ultimately, FAO seeks to incorporate more sustainability practices into daily operations to increase efficiency, reduce costs, and strengthen the Organization's effectiveness. These efforts so far have helped the Organization become more energy efficient and better manage resources, including waste.

335. FAO is playing an active part in the movement Towards a Climate Neutral UN,<sup>23</sup> and is determined to achieve desirable sustainability practices throughout the Organization.

336. Reducing emissions through the efficient use of resources usually coincides with reducing costs over time, thus greening efforts go hand-in-hand with achieving efficiency gains and improving organizational outcomes. The Organization has engaged in internal sustainability activities for a number of years, primarily at headquarters.

337. Over the period of 2010-2011, FAO achieved further success. Some highlights include:

- a) Organization-wide carbon footprint assessment – or greenhouse gas emissions inventory.
- b) Completed an Emission Reduction Strategy to cover years 2012-2014 (projected 4.8 % reduction per capita by 2014).
- c) Reduction of plastic water bottle purchases by 60% from 2008.
- d) Various energy-saving measures, including better heating/cooling efficiency, lighting improvements, and staff awareness (emissions reductions of 1 100 metric tonnes of CO<sub>2</sub>).
- e) Alongside the daily efforts towards sustainability, FAO has several initiatives either underway or planned for 2012-2013. The major areas of work continue to be in energy efficiency and waste.

<sup>23</sup> The United Nations. (2011, 3 31). *Ban Ki-Moon Welcomes New Report On Efforts to Green the UN*. Retrieved 3 31, 2011, from Greening the Blue: [http://www.greeningtheblue.org/sites/default/files/climate%20neutral%20UN%202011\\_web\\_0.pdf](http://www.greeningtheblue.org/sites/default/files/climate%20neutral%20UN%202011_web_0.pdf)

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- f) Upgrading of elevator motors and controls at FAO headquarters (3.3 year return-on-investment and a reduction of 288 metric tonnes of CO<sub>2</sub> a year - carbon sequestered by 7 400 tree seedlings grown for 10 years).
  - g) Improved recycling practices and reduction of overall waste.
  - h) Increased collaboration with decentralized offices in knowledge exchange and sustainability practices; and
  - i) Encouraging staff to separate waste and be more aware of energy usage (thermostat settings and turning off lights).

*Annex 1: Sources for performance information*

1. Reviews undertaken during the biennium by line management, independent functions, such as the Office of the Inspector-General, and external partners confirmed that FAO's approach to Managing for Results had strengthened corporate control, but that some areas needed further development. Improvements introduced following these reviews included:
  - a) the introduction of a quality assurance process for reported performance information documented explanations for missed targets and lessons learnt;
  - b) redefining elements of the results chain to promote greater inter-disciplinary working;
  - c) reformulating some targets and indicators for the 2012-13 biennium.
2. Performance information for this report was compiled using a four-stage approach:
  - a) officers accountable for the activities, associated with each set of indicators, assembled and documented the relevant performance data, together with a narrative exploring achievements, constraints, lessons learnt/success factors and actions for improvement;
  - b) this information was reviewed first by the officer's direct supervisor and then by the officer responsible for the next level in the results chain;
  - c) as this Report was put together, the data was independently assessed for internal coherence and consistency, and a sample of indicators was checked to confirm that adequate and sufficient supporting documentation existed; and
  - d) a final check was undertaken against source data before publication.
3. Two of the performance indicators reported in *Annex 4* rely on data from external sources:
  - a) Organizational Result 1 of SO L: Percentage of Overseas Development Assistance allocated to Food Security, Agriculture and Rural Development (source: OECD);
  - b) Organizational Result 1 of SO L: Food Security, Agriculture and Rural Development investment quality rating by partner International Financing Institutions (source: World Bank and IFAD Quality scoring systems).
4. Other improvements proved more structural, in particular the strength of the causal relationships between different levels of indicators and objectives, and so will be addressed during the formulation of the next Medium Term Plan 2014-17.
5. Furthermore, the process of assembling this report identified further issues that need to be addressed, in particular as regards collecting data on baselines, the clarity and measurability of indicators and targets and the coverage of the indicators and reported performance against them (for example, the indicators capture all material achievements of FAO's extrabudgetary field programme). These issues will be addressed in the course of the 2012-13 biennium.

## *Annex 2: Regional dimensions*

### *Introduction*

1. This section provides region-specific programme highlights concerning: Africa, Asia and Pacific, Europe and Central Asia, Latin America and the Caribbean, and the Near East. In order to facilitate consideration, they are generally set against intended plans, as shown in the corresponding regional section of the Programme of Work and Budget 2010-11 (C 2009/15, *Annex I*).

### **Africa Region**

2. African agriculture continues to face major constraints. For instance, most of arable land is dependent on unpredictable rainfall, with only four percent of available water resources used for irrigation. Rural infrastructures for transport, storage and packaging are often inadequate, making African agricultural commodities uncompetitive in relation to imports. The region also faces acute threats from transboundary pests and animal diseases, which require strong response capacity by phytosanitary and veterinary services. Despite the commitment of Heads of State and Government to allocate at least 10 percent of national budgets to agriculture and rural development, the region is still characterized by grossly insufficient levels of investment in the agriculture sector.

### ***Elements of FAO's response in the 2010-11 biennium***

#### *Sustainable intensification of crop production*

3. The special accent put on promoting Good Agricultural Practices inter alia to reduce pesticide use, while increasing yields in rice, cotton and vegetable cropping systems, translated into about 500 new extensionists and 55 000 farmers in seven countries receiving training and basic marketing skills through farmer field schools. Preparedness to manage wheat rusts, and for surveillance and control against cassava diseases was also strengthened in several countries. Regional workshops were held on emergency plant pest prevention and management (including noxious weeds), covering 35 countries and culminating in strategies for the management of invasive plant species. By training about 50 plant protection officers, the response capacity against emergency pest outbreaks was enhanced in four countries of the Mano River Union.

#### *Livestock*

4. In the context of implementation of the Global Plan of Action for Animal Genetic Resources, specific actions included the designation of a new subregional focal point for the West and Central Africa subregion, and the adoption by countries in the subregion of the "Libreville Declaration" on this subject. Technical advice and capacity development were provided to several countries in the Southern Africa Development Community area on managing animal genetic resources and related record keeping. Training of national correspondents took place within the cooperative network on domestic animal diversity, especially in West and Central Africa and several countries are engaged in review of their regulations.

#### *Fisheries and aquaculture resources*

5. Active support continued to major regional institutions: i.e. the Fishery Committee for the Eastern Central Atlantic, the South West Indian Ocean Fisheries Commission and their respective Scientific Subcommittees, and the Committee for the Inland Fisheries and Aquaculture of Africa and its ad hoc working group on Aquaculture Networking. The assistance extended to the Special Programme for Aquaculture Development in Africa allowed it to remain central to aquaculture development initiatives on the continent, with 10 countries adopting elements of the Programme's model methodologies.

#### *Forestry*

6. Updated guidelines on sustainable management of forests and trees were issued during the biennium, to support institutionalization and effective implementation of community-based forest management in sub-Saharan Africa. FAO prepared the forestry chapter of the Fourth Sustainable Development Report on Africa (under the aegis of the United Nations Economic Commission for

Africa), detailing the physical condition of forests and underlining the challenges facing the sector. A draft regional strategy on climate change mitigation and adaptation was also formulated in 2011, to be further refined – also on a subregional basis – and made available to Members in the future.

#### *Sustainable management and use of natural resources*

7. Technical assistance focused on problems of agriculture water management in situations of acute scarcity. In Southern Africa, FAO was active in fostering conservation agriculture, thereby contributing to sustainable land management and facilitating climate change adaptation measures. Similar to the TerrAfrica partnership (dealing with lands), an Agriculture Water Partnership for Africa was revived in 2011, aiming at greater investments in water management in agriculture, with the Secretariat located in the Subregional Office for Eastern Africa (Addis Ababa).

#### *Agri-business development*

8. Together with key partners, the African Agribusiness and Agro-Industries Development Initiative was launched. In March 2010, a high-level conference held in Nigeria endorsed a declaration supporting this initiative, which is being piloted at national level in 11 countries. Examples of promotional activities include agro-industrial parks, and agribusiness mini-estates established in pilot areas to foster commercialization. Policy, institutional and developmental requirements for well-performing agribusiness public-private partnerships were appraised in several countries.

#### *Food security and nutrition*

9. Training on risk analysis benefitted countries of the West African Economic and Monetary Union. Complementary capacity building activities also took place, addressing the design of risk-based national food control programmes and food inspection systems. A review of possibilities for creating formal linkages between street food vendors and public/private institutions was carried out in several Western Africa countries, the results of which are now available for wider dissemination and use in project development. In the statistics area, where considerable weaknesses remain in the region, increased user access to agricultural data and information was pursued through FAO databases such as FAOSTAT and CountrySTAT (which was further developed), while capacity building activities covered formulating and implementing agricultural censuses and surveys. Work in Eastern Africa aimed at protecting the region's livestock export markets, and minimizing reduced access to milk, meat and blood products by vulnerable populations because of conflicts. This included livestock emergency guidelines and standards and related activities, that benefitted 125 000 households in Somalia, 200 community animal health workers and 10 000 agro-pastoralists in Sudan.

#### **Africa Region in action: from post-conflict to prosperity**

An FAO project in the Democratic Republic of Congo has been supporting some 111 agrarian associations to resettle 2 311 ex-combatants and 596 returnees throughout the country. The associations have served the double purpose of providing income for its Members and increasing agricultural supplies in local markets.

The project has provided income-generating activities in a country where 70 percent of the population depends on agriculture and fisheries. It has also allowed former fighters to live side-by-side with their neighbours. Peaceful coexistence has enabled their reintegration into social and economic life, while FAO-led training has helped them improve skills that can eventually take them into more diverse livelihoods, sustaining the country's peacekeeping process.

With FAO assistance, one of the agricultural associations supported by the project was able to place as much as 16 900 kg of maize on the market. Family members of the food associations can consume the food they grow and sell the rest. Association members make their own decisions about what to do with profits, re-investing income in new equipment and establishing funds to provide loans, with interest, to members. As its funds accumulate, members are able to build their own homes, pay school fees and medical expenses and buy plots of land for market gardening.

### *Investment*

10. Investment support included the issuance of concept notes and briefings of stakeholders on innovative financing mechanisms, as a result of which FAO was admitted into the leading group on Innovative Financing in September 2010. Assistance continued to country-led processes under the aegis of the Comprehensive Africa Agriculture Development Programme by, inter alia, revising roundtable and compact documentation, the organization of roundtables and business meetings, and providing post-compact capacity development. With Global Environment Facility (GEF) financing, three regional projects were initiated in 2010. By the end of 2011, FAO was supporting country partners in the design of more than ten additional GEF projects in the region.

### *Other developments and issues*

11. A noteworthy development in the Regional Office was the establishment of a regional programme coordination service to facilitate oversight by the Assistant Director General/Regional Representative, and covering both Regular Programme and extrabudgetary interventions. The service will also monitor the decentralization process in the region. Four TCP focal points are now in place within each subregion for improved coordination in the management of the TCP regional allocation. Training has been provided to administrative and operations staff from FAO's country offices.

12. Among substantive issues to bear in mind in future work-programmes, is the need to engage more proactively with various regional partners to promote fruitful public-private interactions and mobilize extrabudgetary resources, as well as cooperate with the private sector at small-, medium- and large-scale levels. FAO interventions at these levels need to be appropriately targeted.

## **Asia and Pacific Region**

13. A Regional Priority Framework for Asia and the Pacific was endorsed by the 30th FAO Regional Conference for Asia and the Pacific in 2010, with five priorities of action already reflected in the 2010-11 Programme of Work and Budget: strengthening food and nutritional security; fostering agricultural production and rural development; enhancing equitable, productive and sustainable natural resource management and utilization; improving capacity to respond to food and agricultural threats and emergencies; and coping with the impact of climate change on food and agriculture.

### ***Elements of FAO's response in the 2010-11 biennium***

#### *Strengthening food and nutritional security*

14. FAO carried out analytical studies and policy dialogues to develop options for a more stable global food trading system, including adequate incentives for producers. Several consultations were organized to strengthen the capacity of countries and regional organizations in analysing, formulating and implementing food security policies and programmes and the related trade dimensions. The findings and recommendations should feed into a synthesis volume on experiences and policy lessons from the region in dealing with the global food and financial crises. FAO also convened two high-level consultations on policy and programmatic actions to address high food prices (Thailand and Fiji, 2010). In the follow-up, two regional electronic fora on the same key subject were launched.

#### *Fostering agricultural production and rural development*

15. FAO cooperated with countries to increase productivity of crops of particular relevance to food- and nutritionally-insecure people, appropriate technologies for crop intensification, and inter-country collaboration. Primarily through TCP and trust fund projects, capacity building was enhanced in six countries for crops such as rice, fruits, vegetables, oils and pulses. These projects used a combination of training, technical support, provision of key agricultural inputs, and advice on required institutional measures and infrastructure development.

16. In collaboration with the International Rice Research Institute, a regional meeting addressed rice productivity increases in underexploited areas of countries in the South Asian Association for Regional Cooperation. Country needs were identified and project proposals formulated. Preparatory work took place for a regional consultation on improving wheat productivity in the region in

collaboration with the Asia-Pacific Association of Agricultural Research Institutions and other partners.

17. Country capacity in connection with the speedy release of new crop varieties, and participatory varietal selection and seed production, is being supported in the Democratic People's Republic of Korea through a UNDP-funded project, and in Myanmar through a TCP project.

18. FAO facilitated public–private partnerships in research, extension and marketing; connecting of producers (particularly smallholders) to markets; and effective food safety and phytosanitary measures. Concrete activities in the first two areas included: a regional expert consultation to strengthen public–private partnerships in the provision of market-oriented services; a regional study of good practices in the design and delivery of market-oriented advisory services to farmers and rural entrepreneurs, including private sector-led initiatives, leading to a publication; a training course (with participants from nine countries) to strengthen value chains and improve market linkages between producers and the market; a regional workshop for producer organizations to link to modern value chains; and a training course on value chain financing.

19. In collaboration with IFAD and the Common Fund for Commodities, two trust fund projects are seeking to enhance the agricultural competitiveness of rural households in countries of the Greater Mekong subregion through the promotion of horticulture and other agricultural commodity supply chains. Another trust fund project seeks to strengthen national and regional phytosanitary capacities to facilitate regional and international trade in ten Asian countries.

20. As regards food safety and control systems, the main achievements were: a workshop on the scientific and risk-based approach to standards setting and food control systems; a workshop for South Asian countries on equivalence and mutual recognition agreements to facilitate the trade of safe and quality food; training materials and courses to improve food safety management systems; a joint FAO/WHO technical workshop for Pacific Island countries on Codex labelling provisions, particularly date marking requirements, and to identify ways to use the Codex process for harmonization of standards; a training workshop in the same Pacific Island countries to strengthen capacities of national Codex contact points.

21. FAO increased the use of local diversity, conservation agriculture, integrated pest management (IPM) integrated plant nutrient management and water management. Examples of activities included: a regional workshop on sustainable agricultural mechanization; capacity building through projects on pesticide regulatory harmonization; community-based training in pesticide risk reduction; effective management of fruit flies through integrated pest management and biological control of the cassava pink mealybug; case studies and publications, as well as regional e-conferences and workshop to promote sustainable water resource use for agriculture; case studies on policies and strategies for sustainable soil fertility and fertilizer management; publication of a report on integrated land and water resources management in rural watersheds; and an IFAD-funded project on water interventions for improving smallholder farming and rural livelihoods.

*Enhancing equitable, productive and sustainable natural resource management and utilization*

22. FAO supported countries related to restoration of degraded lands and forests. FAO has been promoting forest rehabilitation and restoration in four countries in Southeast Asia, following the successful TCP project on assisted natural regeneration (ANR) in the Philippines. ANR seeks to restore forest productivity, biological diversity and ecological processes using technologies that are simple, cost effective and easy to implement. Key outcomes include: establishment of model sites, development of incentives for community participation in ANR, strengthened technical capacities, documentation of ANR-based payments and credits, regional collaboration and exchange of information, and application and integration of ANR principles into national forestry management plans.

### **Asia and Pacific Region in action: supporting decollectivization in China**

FAO trade centres in China are helping newly empowered farmer cooperatives to turn the country's vast forests into profitable and sustainably managed assets, and so further rural development.

When China began granting private ownership of its collective forests to local farmers as part of the national agrarian reform, it was a mammoth undertaking. Because so many households are involved in the reform, the parcels the new owners receive are quite small. So, FAO helped build the capacity of these farmers to establish and manage cooperatives. The Forest Tenure Project is imparting forest management concepts to farmers in six pilot provinces, reaching 16 pilot villages and some 300 000 farmers.

The scheme is allowing new owners to buy or sell land at auction, with large screens providing real-time market information on who bought land, who sold it and the most recent prices paid.

Allied to this, FAO has trained local forestry officers to provide guidance to cooperatives in setting-up activities such as timber processing and marketing. It has also organized legal and institutional training for more than 1 000 forestry officials, leaders of forest farmer cooperatives and farmers.

#### *Coping with the impact of climate change on food and agriculture*

23. FAO assisted countries to collect and analyse data and information on climate change impacts and in mainstreaming climate change adaptation and mitigation, including regional cooperation. Under a five-year multidonor trust fund: "Mitigation of Climate Change in Agriculture Programme", a pilot project was initiated in Viet Nam to test mitigation techniques in a smallholder context and establish communities of practice. The programme is also investigating ways of upscaling existing integrated food energy systems.

24. FAO also supported countries through: formulating a regional strategy on climate change adaptation and mitigation in the crop, livestock, forestry, fisheries, land and water subsectors; developing guidelines on the formulation of national strategies; and establishing a related regional cooperation network.

25. FAO provided advice on adjusting and harmonizing policies, programmes and institutions dealing with climate change, and dissemination of practical, user-friendly tools and methodologies. A workshop (with participants from 19 countries) examined the effects of climate change on marine, coastal and freshwater systems and the implications for fisheries and aquaculture livelihoods and economies. It formulated recommendations for national and regional adaptation and mitigation strategies. Support was provided to NGOs and community groups in five Southeast Asian countries in linking to forestry-related voluntary carbon markets, and identifying gaps in their ability to access opportunities. In collaboration with the initiative "Mangroves for the Future", the carbon sequestration rates of mangrove forests were assessed, and methodologies, standards and protocols for marketing carbon are being developed.

26. A regional workshop on climate change and food security was organized in March 2011 during which options were identified for climate change mitigation and adaptation, including mechanisms for regional cooperation in ASEAN+3 countries. In support to the 2011 Bhutan climate change Summit, national and subregional roadmaps on climate change adaptation for food security were developed for Bangladesh, Bhutan, India and Nepal, covering the next ten years.

27. Since the 30th FAO Regional Conference for Asia and the Pacific, three other countries in the region joined the Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD) programme, bringing the total to ten countries. Up to end 2011, the programme had allocated about USD 18.6 million to country programmes in the region. Of this, about USD 10 million was channelled through FAO, which is actively assisting with national systems for measuring, reporting, verification and monitoring of carbon emissions from deforestation and forest degradation.

*Other developments and issues*

28. The biennium saw a healthy increase in field programmes in the region. Delivery was facilitated by RAP's new organizational structure, involving multidisciplinary teams around three core areas: agricultural production systems; economic, social and policy assistance; and natural resources and the environment.

**Europe and Central Asian Region**

29. The region includes some of the richest and poorest countries in the world. In this context, FAO needs to meet the expectations of 53 countries and one member organization, out of which about 20 countries in the Western Balkans and the Commonwealth of Independent States still require technical assistance. The total programme of the Organization has to provide differentiated responses, in order to keep a strong sense of ownership by Members and assure funding for field activities. Four main issues heavily influence work pertinent to the Europe and Central Asian region: rural poverty; EU accession and integration policies; the legacy from previous socialist systems; and the lack of adequate rural public goods.

***Elements of FAO's response in the 2010-11 biennium****Sustainable intensification of crop production*

30. A noteworthy achievement was the reinforced participation of the countries of the Commonwealth of Independent States into agreements on phytosanitary measures through FAO workshops related to the International Plant Protection Convention. Hence, contributions from these countries are now incorporated in the review of the international standards for phytosanitary measures, making their implementation more effective. Moreover, due to FAO awareness work, two countries in the region have ratified the International Plant Protection Convention. Capacity development in relation to the Rotterdam Convention also resulted in its ratification by four countries. This should lead to progressively more efficient use of pesticides and strong focus on pesticide safe disposal. National strategies linked to plant genetic resources for food and agriculture were formulated together with the governments of two countries. National programmes for grain seed production systems were also developed with FAO's advice, and are being implemented.

*Increased sustainable livestock production*

31. During 2010-11, several countries in the region received guidance on advanced and more appropriate livestock production practices. The issues of proper feeding (especially in winter) and pasture management have been recognized as a main obstacle to efficient animal husbandry. Veterinary legislations in two countries have been adapted to international standards. Technical guidance and capacity building of state and private veterinary services in laboratory diagnosis and surveillance resulted in better control of major transboundary animal diseases, such as foot-and-mouth disease, peste des petits ruminants and African swine fever. Cross-border cooperation of State veterinary services was promoted via the first Forum for chief veterinary officers of Southern and Eastern Europe. Several countries received assistance to manage animal genetic resources, in line with the Global Plan of Action.

*Sustainable management and use of fisheries and aquaculture resources*

32. Following a number of high-level preparatory activities, the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission was established in 2010, with the subregional office for Central Asia providing secretariat functions. Cooperation in the Black Sea area got a step closer, when the Regional Office for Europe took over the lead of the Black Sea Fish project and conducted the first scoping mission in December 2010. Secretarial and technical assistance was provided in connection with other bodies or projects, such as the European Inland Fisheries and Aquaculture Advisory Commission, Network of Aquaculture Centres in Central-Eastern Europe, International Council for the Exploration of the Sea and Scientific Cooperation to Support Responsible Fisheries in the Adriatic Sea (ADRIAMED). Serious problems regarding fish introductions and transfers were addressed in a workshop held in Istanbul in November 2010: national experts from 12 countries are

henceforth collecting information and preparing jointly with the Subregional Office for Central Asia a regional strategy on how to deal in a responsible manner with introductions and transfers.

33. FAO was active in responding to requests to assess country potentials for fisheries and especially aquaculture production, and issued several publications and guidelines on selected issues. In addition, a large number of workshops and other training activities took place in support of sustainable development and management of fisheries and aquaculture in the Central Asia subregion. The Subregional Office also prepared two publications on: “*Better Management Practices for Carp Production in Central and Eastern Europe, the Caucasus and Central Asia*” and “*Feasibility of Stocking and Culture-based Fisheries in Central Asia*”.

*Improved quality and safety of foods at all stages of the food chain*

34. Several meetings were held with the participation of high-level policy-makers and from national food control authorities to promote food safety policies, including risk-based approaches to the food chain based on coordination among relevant ministries, agencies and other stakeholders. The Regional Office for Europe provided support to countries to review and identify the legal implications of internationally agreed food safety systems.

35. More generally, there is growing appreciation in the region of FAO’s role in promoting food safety systems. These systems have strong positive effects on local and international markets, domestic consumers and consumers of importing countries. Many countries in the region enjoy relatively recent membership status in Codex Alimentarius, leading to extensive needs for capacity development: eight training workshops were held at subregional and regional levels. These events fostered the application of risk analysis methodology at country level, as well as preventive programmes based on good practices and Hazard Analysis Critical Control Point principles in food safety risk management. For the first time, with support from the FAO/WHO Codex Trust Fund, a joint training course was held for five Central Asian countries on Codex standards and recommendations, including food safety risk management. Greater awareness of different aspects of special quality and geographic indication for foods (legislation, certification, registration, protection, etc.) stemmed from a dedicated regional Web site.

*Sustainable management of forests and trees*

36. A workshop on “Climate Change - Impacts on Forest Management in Eastern Europe and Central Asia” allowed participants from the subregion to exchange experiences, analyse current research on forest land use and climate change, and identify areas for potential collaboration. Another workshop dealt with “Enhancing Forest Policy Processes”. Other activities (workshops and guidelines) served to pave the way for investments in forestry and related fields, taking account of the interfaces between forests and other land uses, as well as strengthening the private forest sector (in a region with 25 million smallholders) and its contribution to sustainable development.

*Sustainable management of land, water and genetic resources and improved response to global environmental challenges affecting food and agriculture*

37. In order to improve access to, and sharing knowledge on agricultural research, extension and biotechnologies, especially in relation to sustainable natural resource management, comprehensive studies were carried out to address national and regional gaps. They led to the formulation of specific projects or policy measures in countries.

38. Most countries with transition economies lack the institutional, policy and legal, and human capacities to cope with bio-technology risks. Important regional activities in this context were: the elaboration and adoption of a regional Action Plan on agricultural biotechnologies and biosafety; technical support to countries; and a project proposal on capacity development in agricultural biotechnologies and biosafety for Central Asia. A regional policy document on biotechnologies and biosafety was prepared based on an innovative, participatory approach, taking into account various environmental and social factors.

39. Expanded partnerships at all levels included: a panel discussion on policy options for climate change mitigation and adaptation (organized during the Green Week Agricultural Discussion Forum,

Berlin, 2010); collaboration with regional NGOs, including a joint paper with the Black Sea Biotechnology Association; inputs to the preparatory process of Rio+20; and success stories on biosafety presented to the Convention on Biological Diversity. Assistance was provided to 18 Web-based thematic networks in agricultural research, allowing at very low cost for enhanced interaction among researchers, entrepreneurs, farmers, and NGOs within the region.

40. Due to massive changes in land ownership structures in transition countries, land issues are of key priority interest for the Region. Many FAO advocacy and field activities addressed this issue, as well as technical publications (e.g. on "Land Banks and Funds - Instruments for Rural Development") and workshops. Three land tenure related workshops aimed at promoting the "Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests" (Prague, June 2010; Budapest, November 2010 and June 2011).

#### *Enabling environment for markets to improve livelihoods and rural development*

41. New farming structures (especially in countries of the Commonwealth of Independent States) require tailored support services: marketing, input supply, machinery, extension. A synthesis study on "Issues and challenges for farm and enterprise diversification and integration of small-scale farmers into value chains", based on general analytical work and five specific country appraisals, was presented at a consultation on "Enabling environment for producer-agribusinesses linkages". One of the main outcomes was to identify areas of possible external assistance, as well as topics to be addressed in future policies. A number of other studies and projects covered diversification opportunities for rural economies.

#### *Improved food security and better nutrition*

42. One of the main achievements under the field programme materialized within the framework of the UN joint programmes project "Reducing malnutrition in children" in Albania. FAO assisted in particular with planning and implementation of a baseline survey to identify causes of malnutrition. Other FAO outputs within the same project include qualitative studies on gender issues and on the effects of the high food prices and economic crisis on household food security.

43. FAO also helped with agricultural censuses in several countries. Workshops on sex-disaggregated data were held in Prague and Ankara. An FAOSTAT regional workshop held in Budapest in May 2011 benefited 30 participants from 16 countries.

44. Among other dimensions, the implications of trade policy on food security were addressed in round tables, workshops and bilateral discussions with government authorities, and joint recommendations formulated. Analyses of the impact of agricultural policies on rural household food security and poverty in Europe/Central Asia were published and brought to the attention of policy-makers. Three working papers on crop diversification, livestock development and the diversity of agriculture in the region were also issued.

45. As regards information activities, several Web site portals serving networks of interest to the region went through significant development, including a new server at headquarters dedicated to this purpose. Information on food security in countries continued to be collected and analysed, while a regional office Web page on agricultural economics/ food security/ trade was set-up.

#### *Improved preparedness for, and effective response to, food and agriculture threats and emergencies*

46. While the 2010-11 biennium did not witness significant disasters in the region, crop monitoring processes and national capacities for assessment in the agriculture sector were further enhanced through two training workshops. FAO also actively participated in the Central Asia Risk Reduction Platform sessions led by UNDP, and FAO recommendations were included in the subsequent 2011 road map. Lastly, FAO has been working with other countries to strengthen the region's preparedness for outbreaks of transboundary animal diseases.

### **Europe and Central Asian region in action: Preparing for transboundary animal diseases**

Europe has suffered from frequent outbreaks of transboundary animal diseases in recent years. Consequently, FAO negotiated with 14 countries to create a regional blueprint to minimize the frequency of such outbreaks, complete with tools to put the blueprint into action. While the initiative is still in its infancy, the control measures have already resulted in early warnings of new epidemics. They also have spurred development of national task forces for monitoring internal progress with improved dialogue and decision-making on management of vaccination campaigns and animal movement risks.

The 14 Eurasian countries participating in the West Eurasia foot-and-mouth disease roadmap are home to over 100 million head of cattle and 200 million small ruminants, half of which can be affected by the disease during their lifetimes. Because of gaps in the veterinary infrastructure in some areas, and the concentration of livestock along defined trade routes, animal epidemics can arise frequently and spread quickly.

However, by joining forces, the countries involved have been able to set a common goal – that by 2020 they will have progressed to the stage where foot-and-mouth disease is infrequent and outbreaks can be contained rapidly.

#### *Gender equity in access to resources, goods, services and decision-making in the rural areas*

47. Gender considerations were mainstreamed into four projects, ranging from seed and forest policy to EU accession. A gender-focused regional GASF project (Gender and Agricultural Statistics Framework) in Central Asia was formulated and funding obtained. Two technical papers were prepared on gender indicators and the status of rural women and men in the region.

### **Latin America and the Caribbean Region**

48. The current food price volatility and economic crisis is having considerable implications for a region which depends strongly on agricultural trade, being a substantial net exporter. At the same time, despite notable progress overall, the region is still experiencing intractable problems of poverty and malnutrition in many areas. The impact of climate change is also increasingly felt, with water scarcity becoming a problem in some areas, and the growing frequency of extreme weather phenomena. The Latin America and Caribbean region also faces serious plant and animal pests and diseases, requiring strengthening of national capacities to combat them. While bearing in mind the great diversity in agricultural and food systems among and even within countries, policy-makers and specialized regional fora are giving particular emphasis to buttressing the small farm sector which could contribute to faster poverty eradication and increased food security.

49. The 31<sup>st</sup> FAO Regional Conference for Latin America and the Caribbean of 2010 recognized four areas of priority action for the region: food and nutritional security; climate change and environmental sustainability; transboundary pests and diseases; and promotion of small-scale agriculture and family farming.

#### *Elements of FAO's response in the 2010-11 biennium*

##### *Food and nutritional security*

50. Progress was made in giving Right to Food considerations due prominence in the political agenda throughout the region: e.g. via the establishment of supportive parliamentary groups in nine countries, specific action and endorsement in the Latin American Parliament and incorporation into legislative or constitutional texts in eight countries. It is estimated that more than 200 elected members are actively and personally promoting discussions and actions of a legal nature linked to food and nutritional security.

51. FAO contributed to the formulation of more effective food security policies and programmes at various levels, including the subregional level with the involvement of such inter-governmental institutions as the Caribbean Community (CARICOM), Integrated System of Central America (SICA), Andean Community, and the Union of South American Nations (UNASUR). This effort was also supported through a variety of means: targeted training of decision-makers; workshops at both national

and regional levels to discuss specific proposals and policy options dealing for example with rural poverty reduction, rural labour markets and the role of women in such markets and land tenure; establishment and support to national food security committees; case studies and publications; and an evaluation of good practices in the design of programmes of communication and nutrition education based on appraisals in 17 countries. The context of high price volatility and attendant problems and remedial measures received particular attention in the ongoing policy dialogue with governmental authorities and in the dissemination of information.

52. The active engagement of leaders of key civil society institutions or associations into policy formulation was given special emphasis, for example with grassroots initiatives involving exchanges of experiences among groups of farmers, in the wake of the International Conference on Agrarian Reform and Rural Development held in 2006 in Porto Alegre, Brazil. The outcome of such initiatives was discussed by representatives of the pioneering farmer organizations in a meeting held in Chile in July 2011.

#### *Climate change and environmental sustainability of agricultural systems*

53. Assistance was given to the formulation of strategies to cope with natural catastrophes and other emergencies, including adequate preparedness and response capacities in individual countries. FAO also carried out vigorous awareness campaigns to sensitize public opinion and decision-makers in the region about risks stemming from increased vulnerability to climate change. Methodologies and capacity building to evaluate such risks and assess potential impacts were also addressed.

54. More generally, sustainability was systematically factored into technical advice provided by FAO, including through specific field projects, in connection with the enhancement of livestock and crop production systems, as well as of forestry, fisheries and aquaculture systems, taking advantage of such events as the International Year of Forests or meetings of regional technical bodies or commissions. Experiences with sustainable management of forests in specific countries were compiled and evaluated and findings included in a major publication on the subject.

55. FAO helped with the formulation of national action plans to improve the sustainability and competitiveness of the dairy sector in several countries, involving thorough consultations with stakeholders along the production and distribution chain. A regional observatory for the dairy sector in the region was set up in cooperation with the Pan-American Dairy Federation, with the aim of monitoring and analysing developments and facilitate decision-making to take advantage of opportunities.

56. FAO was also active in supporting a number of urban and peri-urban agriculture development projects in the region (e.g. for vegetable production) while paying due attention to environmental factors and economic sustainability, and seeking to build on new opportunities to link economic advances between urban and rural areas. The assistance included provision of small inputs, tools and innovative techniques, as well as training.

#### *Transboundary pests and diseases*

57. Major achievements in the biennium relate to two major animal diseases: foot-and-mouth disease and African swine fever. In the first case, a project in the Andean subregion allowed for substantial strengthening of national control programmes and improved coordination under the Andean technical advisory committee on animal health. The project involved training a large number of animal health professionals and technicians and the provision of equipment to national laboratories. Two countries, Peru and Bolivia have initiated the process of declaration of freedom from the disease. Regarding African swine fever, FAO pursued active coordination of the implementation of the continental plan to eradicate the disease by 2020, with substantial progress in the reduction of its incidence already made in several affected countries.

*Promotion of small-scale agriculture and family farming*

58. The promotion of small-scale agriculture and family farming requires in particular the adaptation of various technologies to the special requirements of small farmers, and finding effective ways of transferring such knowledge to communities and groups that are generally weak in both organizational and economic terms. Input distribution systems also need to take account of these special conditions, for instance in relation to quality seeds, or the management and modernization of small-scale irrigation systems. Access to domestic and international markets by such weak economic agents also need specific policy and supportive measures to be implemented. FAO was active in providing advice to government in relation to these key dimensions, bearing in mind local diversities. Case studies were also conducted to illustrate practical options and benefits. Studies were carried out, in particular in the MERCOSUR (Southern Common Market) area, towards better insertion of the family farming sector into expanding domestic and international markets.

**Latin America and the Caribbean region in action: building expertise in pollination**

Pollinators' contributions to global agriculture have been estimated at more than USD 200 billion a year. With numbers of quality pollinators dwindling, FAO's Global Pollination Project is helping participating farmers in Brazil to improve crop production by up to 10 percent, with crop quality also improving through better conservation and management of pollination services.

FAO's Global Pollination Project focuses on identifying the steps needed to bring wild pollinators back to the fields. In Brazil, FAO is using Brazil's strict deforestation regulations to show farmers the benefits of a natural habitat for pollinators, which in turn, increases the production of crops such as canola. The increase in productivity has been so impressive that private sector canola seed processors are now working with FAO project personnel to train their own technicians and canola farmers.

The FAO Global Pollination Project is sharing its findings across the world, allowing more and more farmers access to the knowledge about importance of pollination – knowledge that will eventually inform the policy to ensure that pollinators are protected and can continue to do their job.

*Other developments and issues*

59. Cutting across the above priorities, the regional office and the other offices in the region paid attention to gender considerations and the problems faced by youth in rural areas in a context of rapid change and massive out-migration.

60. Substantial progress has been made in the region regarding the preparation of Country Programme Frameworks, with agreement reached with the concerned governments in about half of the countries. These are becoming instrumental in guiding FAO's action in the light of concretely expressed needs. Advances have also been made in the mobilization of funds to support various types of South-South Cooperation, hence facilitating coordination and information exchanges on common issues.

**Near East Region**

61. The Near East region exhibits great diversity among countries, especially in terms of natural resource endowment, level of development and incomes and the role of the agriculture sector in the economy. Food security is a major challenge, in view of the substantial incidence of imports. Despite the limits imposed by severe water scarcity in most areas, vulnerability to climate change, as well as by threats from various plant and animal pests and diseases, the agriculture sector should remain an important engine of growth, making policy formulation and intercountry cooperation essential factors.

62. The FAO Regional Conference for the Near East endorsed at its 30th session of 2010 a Regional Priority Framework to guide FAO's work. The Framework was also expected to serve as a tool for resource mobilization and the development of cooperative programmes, involving donors from and outside the region. Consistent with the corporate Strategic Framework, five priority areas were identified: (i) Enhancing Food Security and Nutrition; (ii) Fostering Agricultural Production and Rural Development for Improved Livelihood; (iii) Sustainable Natural Resources Management; (iv)

Response to Climate Change Impacts and Developing Adaptation Strategies; and (v) Preparedness for, and Response to, Food and Agriculture Emergencies.

### ***Elements of FAO's response in the 2010-11 biennium***

#### *Enhancing food security and nutrition*

63. FAO actively contributed to the development of a regional Nutrition Strategy for the period 2010-2019. It also implemented several capacity development initiatives, inter-agency coordination meetings, policy discussions and multistakeholder workshops on food security and nutrition. Many of these events benefited from coordination with other UN agencies within the framework of the regional Thematic Working Group on Food Security. Tailored technical assistance was provided to countries on the formulation of agricultural strategies, food security policies, food systems and market price monitoring and climate change adaptation. Supportive information or analytical products included: quarterly food security reports, reports from regional policy workshops on price volatility, country case studies on the impact of food price on small farmers and new trends on investment in agriculture, a joint publication on food security in the Arab region by FAO, World Bank, IFAD and the International Center for Agricultural Research in the Dry Areas. Regional consultations were also held on: investment in agriculture (as a side event to the 30<sup>th</sup> FAO Regional Conference for the Near East); and priorities for agriculture and food security at the regional and subregional levels.

64. Training was carried out for statisticians and data focal points from 19 countries on sampling methodologies, price analysis and food security assessments and reporting. Reports on agriculture census and surveys were prepared in close collaboration with the Euro-Mediterranean Statistical Cooperation programme (EU-MEDSTAT). Active contacts took place with partner institutions in the context of the implementation at regional level of the Global Strategy for improving agricultural and rural development statistics. Information sharing and knowledge exchange was facilitated by a number of national and regional workshops, technical assistance missions and support to a wide range of networks.

#### *Fostering agriculture production and rural development for improved livelihoods*

65. Many projects (both national and regional) operated in the area of plant protection such as: the Italian-funded regional integrated pest management programme in the Near East, capacity building in integrated plant health management in Saudi Arabia, financed by Saudi Arabia, and a subregional TCP project on management of the invasive plant *solanum elaeagnifolium*. Due attention was given to combating the new invasive pest *tuta absoluta* (introduced into the region in 2009) with biological control strongly promoted in affected countries. Farmer field schools were quite prominent in the regional integrated pest management programme, involving more than 16 200 farmers in the 10 participating countries.

66. FAO pursued building countries' technical capacity in controlling the desert locust, developing contingency plans and raising response and preparedness capabilities for combating outbreaks, as well as information and knowledge sharing. Eight countries in the Central Region are following and applying FAO-promoted principles of preventive locust control systems.

67. As regards plant production, priority was given to supporting international research conferences, organizing regional workshops, and enhancing intercountry exchange of experience and technical information. Concrete activities included publications, dissemination of workshop proceedings, preparation of country pasture profiles and formulation and backstopping of several TCP projects. Several important Unilateral Trust Fund projects continued to operate in both Saudi Arabia and Libya, covering a variety of crop systems.

68. Concerning agro-industry and rural infrastructure, FAO focused more particularly on reducing waste and improving functioning of cold chains in national food systems. A regional forum was organized, with more than 150 participants, to discuss the status of agro-industry in the region, and formulate action-oriented recommendations. The outcome and supportive activities to this forum were given prominence on the Web site (including a total of 27 studies and publications).

69. In the area of animal production and health, two training workshops sought to facilitate transfer of technologies in sustainable livestock production, addressing in particular: feeding and breeding programmes; health care issues; value addition; animal genetic resources management; marketing of products; and public-private partnerships. Among the direct outcomes were the establishment of a Near East fodder and feed network and the strengthening of the Near East small ruminant network. FAO also organized an expert meeting on small-scale dairy sector development to identify regional priorities and formulate projects for donor funding. In order to improve the capacity of veterinary services, a regional Animal Health Strategy was prepared and country veterinary education systems were assessed. A regional TCP project dealt with improving animal quarantine procedures. An expert meeting addressed the impacts of livestock on the environment in peri-urban areas, while workshops were conducted on animal identification and traceability in the Near East.

#### **Near East region in action: scaling-up successful farmer field schools**

Through collaboration between FAO and the Government in Egypt, extension workers have been facilitating farmer field schools where they guide farmers through measures aimed at increasing crop production.

As a result, farmers are not only saving money and protecting the environment, their yields are also substantially better – up more than 10 tonnes per hectare in some areas. The advantages extend to countries exporting their produce, in that they meet food safety requirements by using less pesticide.

In Egypt, some 300 farmer field schools have been held involving 3 000 farmers and 197 facilitators in Ismailia and Fayoum provinces. 9 000 further farmers have been trained across the Near East region through the five-year project funded by the Italian government which was extended last year to Morocco, Algeria and Tunisia.

Only recently has FAO begun to run farmer field schools on such a large scale. More and more, farmers are seeing they can benefit and are spreading the word to others, meaning the reach extends beyond those who actually attend the schools. These successes would not be possible without the cooperation of the governments, and FAO has enjoyed excellent collaboration with the Egyptian government and others in the region.

#### *Sustainable natural resources management*

##### *Fisheries and aquaculture*

70. Assistance was provided in connection with improved monitoring of status and trends of fisheries exploiting shared stocks, especially by actively pursuing regional harmonization of fisheries statistics. The Regional Commission for Fisheries, with FAO support, adopted its first recommendation on minimum data collection and reporting. Countries were assisted in the use of spatial planning tools, and to elaborate a regional programme on spatial planning for fisheries and aquaculture.

71. More broadly, attention was also given to national and regional capacity to implement the Code of Conduct for Responsible Fisheries and its technical guidelines, with focus on the management of shared fishery stocks, development of small-scale fisheries and aquaculture, as well as needed responses to challenges posed by climate change. The Red Sea and Gulf of Aden countries engaged – with FAO technical backing – in consultations towards the establishment of a regional cooperative fisheries and aquaculture management mechanism. The first of these intergovernmental consultations drew up a work plan to address responsibly the regional dimensions of fisheries and aquaculture management.

##### *Forest, trees and range lands*

72. In the light of unprecedented degradation of forests and rangelands in the region, FAO sought to foster debate on key dimensions of the problem, e.g. climate change, governance, and sustainable management measures, particularly under the auspice of the Near East Forestry and Range Commission, as well as through thematic workshops, with a high level of participation. At country level, support was provided to policy formulation (or needed revision) regarding forestry and

rangelands. Specific projects dealt with integrated resources management including community-based fire management, promotion of small forestry enterprises, and wildlife and protected areas management.

#### *Land and water*

73. Training on irrigation modernization was conducted in three countries, and a training workshop on drought management benefitted thirteen countries in both Central Asia and the Near East. The Regional Office also supported implementation of 29 projects concerned totally or partially with water resources management. The Near East session of the Agriculture and Land and Water Use Commission was successfully held and its outcome presented to the Regional Conference. Country reports were produced regarding land tenure, planning and management. In the Maghreb subregion, based on pilots for development of apricot and pomegranate production in oases of southern Tunisia, the model is to be scaled-up and implemented in two other countries. A low-cost drip irrigation system was also developed and adopted by three countries of the subregion.

#### *Responding to climate change impacts and developing adaptation strategies*

74. FAO convened a regional forum on climate change, agriculture and food security to seek to coordinate actions and establish common knowledge. The forum also exposed participants to opportunities from financial mechanisms. This was complemented by two regional workshops aiming at integrating climate change in national forest programmes. FAO also assisted countries with the application of the ecosystem approach to the fisheries and aquaculture sector. Additionally, an upcoming strategic meeting on the fisheries and aquaculture sector is to address disaster risk management and climate change adaptation for communities in the region. A publication was issued on the impact of climate variability on the livestock sector and measures to address it, highlighting hotspots and projections. In the Maghreb subregion in particular, conservation agriculture was promoted through project formulation, guidelines for decision-makers and farmers, and a subregional meeting on conservation agriculture held in 2011.

75. FAO is assisting Egypt to set up a comprehensive monitoring system to generate reliable forecasts of sea level rise, and anticipate possible impacts resulting from climate change on soil and groundwater in the Nile Delta. In addition, an expert meeting in Jordan discussed animal production and health adaptation strategies for the country.

#### *Preparedness for, and response to, agriculture and food emergencies*

76. The contributions of three instruments specific to the region are worth highlighting: the Commission for controlling the Desert Locust in the Central Region; the Regional Animal Health Centre in Beirut, and the Emergency Centre for Transboundary Animal Diseases in Egypt.

77. The Desert Locust Commission was especially active in capacity building and training, e.g. at least one national master trainer in each country is now able to conduct and organize training courses on many survey and control topics. Under its aegis, various regional and subregional training programmes and specific courses were held, and information dissemination activities carried out (monthly bulletin, specialized glossary available online in Arabic and English). The IPM approach of using biopesticides in control operations has largely been accepted by concerned countries.

78. FAO sought to strengthen animal health-related work in the Near East through the establishment of the Regional Animal Health Centre located in Lebanon (since June 2007) to support national services. The Centre contributed to regional coordination and networking for disease surveillance and control, enhanced emergency preparedness and response capability, strengthened biosecurity surveillance and early warning systems, and supported laboratory diagnostic services, especially for the prevention and control of highly pathogenic avian influenza (HPAI) (differential diagnosis of poultry diseases, simulation exercises and vaccination and culling operations). It helped national laboratories with procurement of equipment and diagnostic materials and issued technical recommendations, as well as engaging in public awareness and communication. Because of insufficient donor interest in continuing to fund a separate Centre, its functions were progressively transferred during the 2010-11 biennium to the Regional Office in Cairo.

79. FAO also established an Emergency Centre for Transboundary Animal Diseases in June 2007 to assist the Egyptian government in detecting and controlling HPAI. Many projects were implemented and supported by this Centre in the recent past. It facilitated, among other achievements, better detection and response to HPAI outbreaks in poultry; coordination between central and local veterinary services; improved farm biosecurity practices; the establishment of an effective epidemio-surveillance system; and policy dialogue and information/knowledge sharing in a particularly sensitive field.

80. Many regional networks have been operating under the aegis of the Organization. However, there is a need to maintain strong political commitment to generate sustained contributions from stakeholders. Knowledge networks depend in fact on people and not on technology alone, requiring strong institutionalization mechanisms.

*Annex 3: FAO language policy*

1. In 1999, the 30th FAO Conference reaffirmed the imperative of ensuring parity and balance in the use of all FAO languages and the need for supervision of the quality of translation and interpretation. In looking forward to further improvements in the future, the Conference agreed to the need for Members to monitor progress closely through periodic follow-up and evaluation.

*FAO meetings*

2. The number of PWB approved sessions in 2010-11 (171) was the same as sessions planned in 2008-09. Unscheduled sessions increased by 23 percent (55 sessions under the Regular Budget and 57 financed by Trust Funds) and there were 15 cancelled sessions (see *Annex 5* on the FAO Web site [www.fao.org/pir](http://www.fao.org/pir)), resulting in a total of 268 sessions convened in 2010-11, an 8 percent increase on the previous biennium.

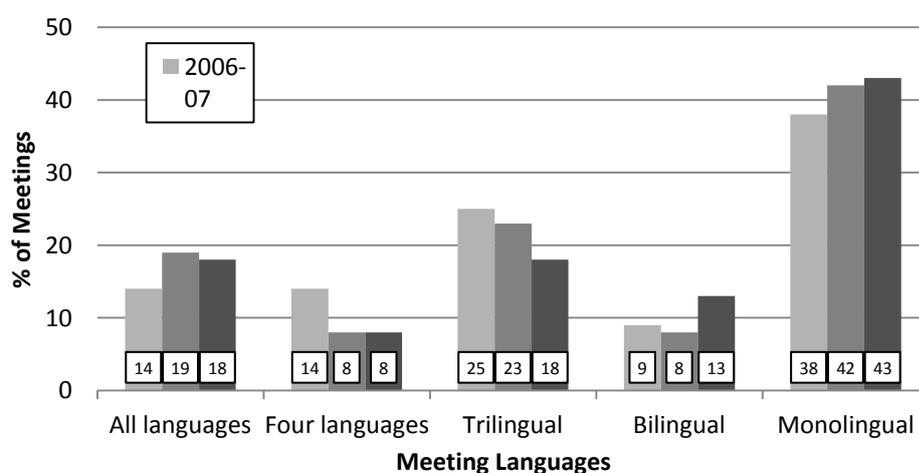
**Figure 26: Sessions held at Headquarters and in decentralized locations**

<b>Description</b>	<b>2006-07</b>	<b>2008-09</b>	<b>2010-11</b>
Sessions approved in PWB	193	171	171
Cancelled Sessions, Regular Programme	23	14	15
Unscheduled Sessions, Regular Programme	25	38	55
Unscheduled Sessions, Trust Funds	34	53	57
<b>TOTAL</b>	<b>229</b>	<b>248</b>	<b>268</b>
Headquarters	92	127	134
Decentralized locations	137	121	134
<b>TOTAL</b>	<b>229</b>	<b>248</b>	<b>268</b>
Percentage decentralized meetings	60%	49%	50%

*FAO hosted 268 sessions in 2010-11, 19 (8.0%) more than in the previous biennium.*

3. An indicator of language balance is the percentage of meetings held in several FAO languages (*Figure 27*). In 2010-11, 18 percent of meetings were held in all FAO languages, while the percentage of meetings in four languages was maintained at 8 percent, the combined 26 percent of those meetings was similar to the experience in the last three biennia. The percentage of meetings held in three languages was 18 percent.

**Figure 27: Proportion of meetings by number of languages (percent)**

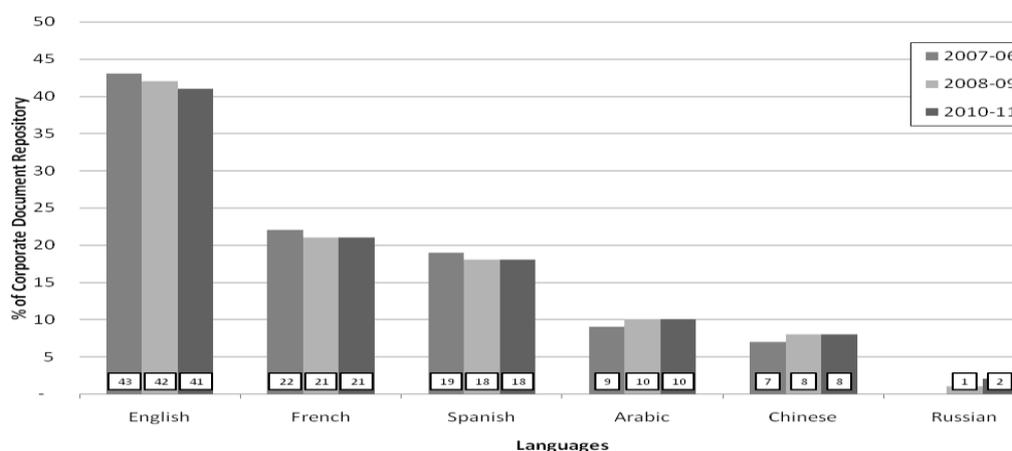


*Since 2006-07, around a quarter of all meetings have been held in four or more languages.*

### Publications

4. Publication of documents in FAO's languages continued to be a major priority for the Organization. All flagship titles were made available in the six languages. Technical titles were published in languages appropriate to the needs of key target audience. Overall, some 1 269 publications were issued in the 2010-11 biennium. Of the total, 54 percent were issued in English, 16 percent in French, 13 percent in Spanish, 3 percent in Arabic, 4 percent in Russian and 6 percent in Chinese (including 29 publications produced through the special FAO Chinese Publication Programme, regulated by a Memorandum of Understanding between FAO and the Department of International Cooperation of the Chinese Ministry of Agriculture; under this programme, selected FAO publications are produced in Chinese and distributed by the China Agriculture Press, the leading parastatal agricultural publishing house in China). The remainder, about 5 percent of the total output, was issued in multiple language versions.

**Figure 28: Corporate Document Repository contents by language (percent)**



### Electronic material

5. The language coverage of the FAO Internet site continued to be monitored in 2010-11, through the Web Guide and the Web Quality Assurance checklist. However, the information disseminated through the Corporate Document Repository indicates that the coverage of Arabic and Chinese has slightly decreased, while Russian has considerably increased from 1 percent to 2 percent. In relation to the total amount of content in the Repository, the content in English is now 41 percent (down from 42 percent in 2008-09), French and Spanish remained at 21 percent and at 18 percent respectively, while Arabic and Chinese remained unchanged at 10 percent and 8 percent respectively.

### Terminology and language support

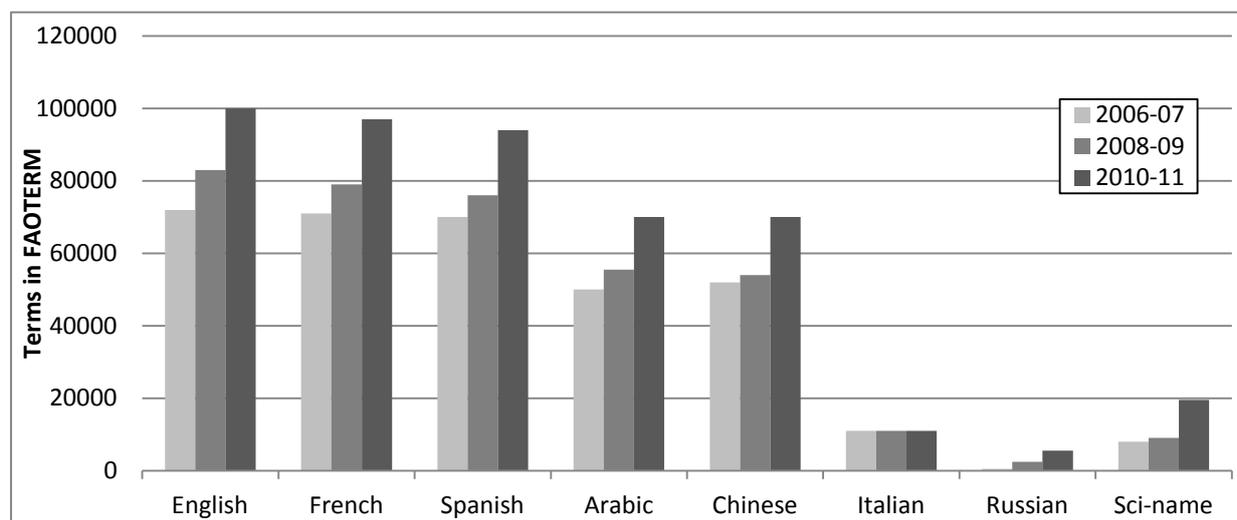
6. In 2010-2011, the TermPortal was further enhanced and enlarged, providing an overall platform for terminology management and dissemination at the Organization-level, as well as with the Rome-based Agencies. The TermPortal is a container for all systems and glossaries to create, store, manage and maintain concepts, terms and definitions. The TermPortal includes the FAOTERM terminology database which increased to around 100 000 records each in English, French and Spanish, and over 70 000 records each in Arabic and Chinese, as well as about 11 000 records in Italian (Figure 29). Specific projects have been carried out to increase the Russian equivalents of core areas, 5 500 records of which are already published, and 17 000 are under validation, to be published early 2012, which will bring the total records available in Russian to about 22 000. Over 500 new records were added to the TermPortal and approximately 3 000 updates.

7. The TermPortal Web site was redesigned and is now receiving over 1 800 visits per month/4 000 page views from all over the world. Work was carried out to enhance interoperability among FAO systems, such as automated recognition from translation tools and names of countries core data sets into FAO's administrative and technical applications. Other core glossaries such as phytosanitary terminology and aquatic species were converted from static collections maintained in

documents and spreadsheets into online systems following international terminology standards, with full workflow in order to ensure wider dissemination, streamline maintenance and ensure long-term sustainability.

8. Translation and related work continued to rely on computer-assisted translation technologies and special efforts were made to upgrade to the latest generation technology and to streamline related processes and work methods. In particular, translation memories and corporate multilingual document tools facilitated the search and retrieval of past translations to improve consistency of FAO's documentation and expedite delivery of meeting documents.

**Figure 29: Terms in FAOTERM by language**



	<b>English</b>	<b>French</b>	<b>Spanish</b>	<b>Arabic</b>	<b>Chinese</b>	<b>Italian</b>	<b>Russian</b>	<b>Sci-name</b>
2006-07	72000	71000	70000	50000	52000	11000	500	8000
2008-09	83000	79000	76000	55500	54000	11000	2400	9000
2010-11	100000	97000	94000	70000	70000	11000	5500	19500

#### Annex 4: Gender and geographical representation

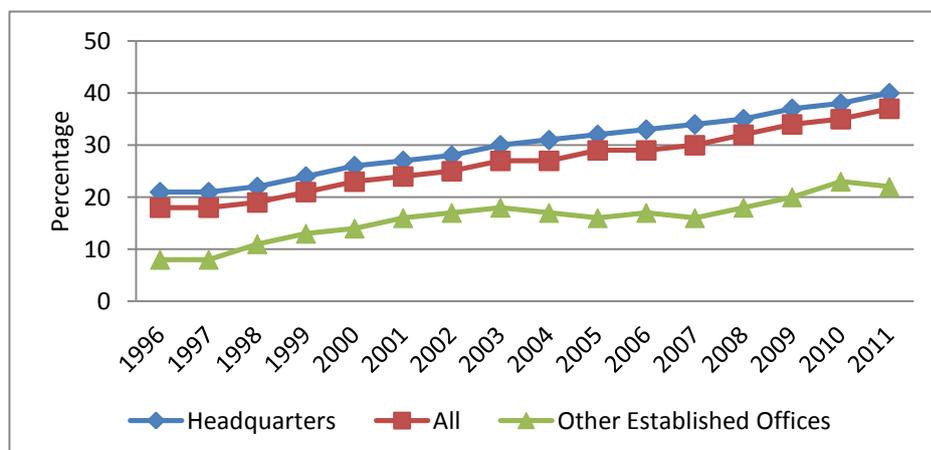
##### Geographical representation of professional staff

- At its 32<sup>nd</sup> Session held in November-December 2003, the Conference adopted a revised formula for the calculation of geographic distribution, similar to that implemented in the UN Secretariat and in several organizations of the UN system. Under the methodology, 40 percent of posts are distributed on the basis of membership, 5 percent on the basis of member country population, and 55 percent in proportion to the scale of assessments. From its inception, this methodology has been applied only to staff members who encumber posts which are calculated in the geographic distribution.
- Since 2011,<sup>24</sup> the scope has been expanded to include: (i) staff members who had been previously subject to the competitive recruitment process for Regular Programme posts, but currently encumber non-Regular Programme posts, or are seconded to external organizations/institutions and hold return rights to regular programme posts; (ii) staff externally recruited encumbering recurring IPA posts; and (iii) Junior Professionals.
- Summary tables indicating the countries that were not within the range of equitable representation as at 31 December 2011 (52 of 191 Member Nations), are shown in *Figure 31*.
- At the end of 2009, 14 countries exceeded the top of their range; 16 countries were underrepresented; and 45 were non-represented. At the end of 2011, 9 countries exceeded the top of their range; 12 were under-represented; and 31 were non-represented.
- It should be noted that the Organization continues to attribute priority to the recruitment of professional staff from non-represented countries. In this regard, 20 of the 45 countries that were non-represented at the end of 2009 were represented at the end of 2011, while 25 countries remained non-represented.

##### Gender balance of professional staff

- Increasing the proportion of female staff in the professional category is one of the main human resources policy objectives of the Organization. Efforts during the last eight biennia have resulted in the steady increase of women in professional posts at headquarters from 21 percent at the end of 1996 to 40 percent at the end 2011 and an increase in all locations from 18 to 37 percent (*Figure 30*). These percentages are based upon the total number of professional and above staff on both Regular Programme and extrabudgetary posts with fixed-term or continuing contracts at headquarters and other established offices.<sup>25</sup> While the percentage of women in professional posts in offices outside headquarters is significantly lower, the rate of increase has been relatively high, growing from 8 percent in 1996 to 22 percent in 2011.

**Figure 30: Percentage representation of female professional staff**



<sup>24</sup> Director-General's Bulletin 2011/53

<sup>25</sup> Excludes Director-General, APOs, NPOs, field project staff and staff with contracts of less than 12 months.

7. The number of female and male staff<sup>26</sup> by grade at the end of 2011 is shown in *Figure 32*. Overall, women constitute half (53%) of the Organization's total staff, 67% of General Service staff (G1 - G7), 38% of Professional Officers (P1 - P5), 45% of other professionals (National Professional Officers and Associate Professional Officers) and 21% of Director and higher-level staff (D1 - DDG). Within the Director and higher level group, 25% of ADG level staff are women. Within the Professional Officers, the proportion of females varies from 57% at P-2, 48% at P-3 to 26% at P-5 levels. The greater number of women at the P-2 to P-3 grade levels reflects the increasing number of qualified young women in the technical fields of the Organization. As staff progressively retire, it is expected that many of these women will move into more senior officer positions. It should be noted that at the end of the biennium, a draft Human Resources Management Strategic Action Plan: Towards Gender Balance had been formulated that would enable the Organization to achieve, in the medium-term, a better gender balance and, in the longer-term, gender parity.

8. Additionally, the implementation of the Junior Professional Programme in 2010, with the objective of improving both geographical representation and gender balance, has yielded significant results. As shown in *Figure 30*, this Programme has resulted in a substantial increase in the proportion of female staff at the P-1 level, from 0% at the end of 2009 to 52% in 2011.

#### ***Geographical representation of Professional staff***

9. *Figure 31* shows the countries that were not within the range of equitable representation as at 31 December 2011 (52 of 191 Member Nations). *Figure 33* shows the number of staff subject to geographic distribution policy by nationality and grade as at 31 December 2011.

***Figure 31: Countries not within range by region as at 31 December 2011***

<b>Region</b>	<b>Countries that have exceeded the top of their range</b>	<b>Under-represented countries</b>	<b>Non-represented countries</b>
<b>Africa</b>	Morocco		Eritrea, Guinea-Bissau
<b>Asia</b>	India, Philippines	China, Indonesia, Japan, Korea Republic of, Malaysia, Vietnam	Cambodia, Democratic P.R. Korea, Laos, Myanmar, Thailand, Timor Leste
<b>Europe</b>	Belgium, Germany, Ireland, Italy, Switzerland, United Kingdom	Israel, Norway, Poland, Slovenia	Andorra, Cyprus, Latvia, Monaco, Montenegro
<b>Latin America and Caribbean</b>			Panama, Saint Vincent and the Grenadines, Suriname
<b>Near East</b>		Oman, Saudi Arabia	Bahrain, Kuwait, Libyan Arab Jamahir, Qatar, Turkmenistan, United Arab Emirates
<b>North America</b>			
<b>South-West Pacific</b>			Cook Islands, Kiribati, Marshall Islands, Micronesia, Nauru, Niue Island, Palau, Solomon Islands, Tuvalu

<sup>26</sup> Staff in all categories on both Regular Programme and extrabudgetary posts with fixed-term or continuing contracts at headquarters and other established offices with the exception of Director-General, field project staff, and staff with contracts of less than 12 months.

**Figure 32: Female and male staff by grade as at 31 December 2011**

<b>Grade</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>	<b>Percentage Female</b>
DDG	1	1	2	50%
ADG	3	9	12	25%
D-2	6	32	38	16%
D-1	17	59	76	22%
<i>Subtotal Director and above</i>	<i>27</i>	<i>101</i>	<i>128</i>	<i>21%</i>
P-5	92	257	349	26%
P-4	160	305	465	34%
P-3	158	171	329	48%
P-2	79	59	138	57%
P-1 <sup>(1)</sup>	12	11	23	52%
Professional	501	803	1304	38%
NPO	65	104	169	38%
APO	34	16	50	68%
Other Professional	99	120	219	45%
G-7	19	12	31	61%
G-6	153	48	201	76%
G-5	347	84	431	81%
G-4	380	137	517	74%
G-3	209	153	362	58%
G-2	29	125	154	19%
G-1	4	8	12	33%
General Service	1,141	567	1,708	67%
<b>Total</b>	<b>1,768</b>	<b>1,591</b>	<b>3,359</b>	<b>53%</b>

*Note: (1) including Junior Professional Officers (JPOs)*

**Figure 33: Professional and above staff subject to geographical distribution policy by nationality and grade as at 31 December 2011**

National of	DDG	ADG	D-2	D-1	P-5	P-4	P-3	P-2	P-1	Total
Afghanistan				1		2				3
Albania						1	3			4
Algeria					1	2	3			6
Angola				1		1				2
Antigua and Barbuda				1						1
Argentina					1	3	2			6
Armenia						2				2
Australia			1	1	5	3	2	1		13
Austria				1	2	4	2	1		10
Azerbaijan						1				1
Bahamas					1					1
Bangladesh			1		1		1			3
Barbados					1					1
Belarus						1				1
Belgium				1	10	5	1			17
Belize						1				1
Benin						3	1			4
Bhutan						1				1
Bolivia				1		2	1	2		6
Bosnia Herzegovina						1		1		2
Botswana					1	1				2
Brazil				1	5	1	1	1		9
Bulgaria						2	2			4
Burkina Faso				1	1	2			1	5
Burundi						1	1			2
Cameroon					2	1	2	1		6
Canada			1	3	9	8	5			26
Cape Verde		1								1
Central African Republic					1					1
Chad					1			1		2
Chile					2	2	1			5
China			2	2	2	5	5	1		17
Colombia			1		2	1	2			6
Comoros						1				1
Congo					1	2				3
Congo Democratic Republic					2			1		3
Costa Rica					1	2	1			4
Cote d'Ivoire				1	3	1	1			6
Croatia						2				2
Cuba					1	1				2
Czech Republic the						2	1			3
Denmark				1	2	5				8
Djibouti					1	1				2
Dominica					2					2
Dominican republic					1					1
Ecuador					2	1		1		4
Egypt		1				1	2			4
El Salvador					1		1			2
Equatorial guinea					1					1
Estonia								1		1
Ethiopia			1			2	2			5
Fiji					1					1
Finland					2	3				5
France		1		3	28	13	7			52
Gabon					1					1
Gambia			1		2	1				4

National of	DDG	ADG	D-2	D-1	P-5	P-4	P-3	P-2	P-1	Total
Georgia							4			4
Germany		1	1	4	21	32	13	1		73
Ghana					1		1	2		4
Greece			1		2	1	3			7
Grenada					1					1
Guatemala					1	2	1	1		5
Guinea					2	1	1			4
Guyana					2		1			3
Haiti									3	3
Honduras					1	1				2
Hungary					2			1	3	6
Iceland		1				1	1			3
India	1		1		3	8	3	5	1	22
Indonesia								1		1
Iran			1			2				3
Iraq						1	2			3
Ireland				1	1	6				8
Israel					1					1
Italy		1	1	5	22	39	15	8		91
Jamaica						2				2
Japan		1	1	4	4	11	7		1	29
Jordan					1					1
Kazakhstan					1	1				2
Kenya						3		1		4
Korea Republic of			1				1			2
Kyrgyzstan						2	1			3
Lebanon				2	1	1	2			6
Lesotho					1					1
Liberia						2				2
Lithuania							1			1
Luxembourg					1	1	1			3
Madagascar			1		1		1		1	4
Malawi				1						1
Malaysia						2				2
Maldives									1	1
Mali		1		1	1	1	1			5
Malta						1				1
Mauritania			1			2	1			4
Mauritius					1		1			2
Mexico					3	6	2	2	3	16
Moldova					1	1	1	1		4
Mongolia								1		1
Morocco			2	1	3	2	1			9
Mozambique				1	1					2
Namibia				1						1
Nepal					2			1	1	4
Netherlands					8	8	1			17
New Zealand			1		1	2	1	1		6
Nicaragua						2	1			3
Niger				1	2	1	1			5
Nigeria				1	1	1	1			4
Norway					2	1		2		5
Oman						1				1
Pakistan				2		2	2			6
Papua New Guinea					1	1				2
Paraguay						1				1
Peru					2	2	1			5
Philippines					1	6				7
Poland					1			3		4

<b>National of</b>	<b>DDG</b>	<b>ADG</b>	<b>D-2</b>	<b>D-1</b>	<b>P-5</b>	<b>P-4</b>	<b>P-3</b>	<b>P-2</b>	<b>P-1</b>	<b>Total</b>
Portugal			1	1	1	3	1			7
Romania			1			1	1			3
Russian Federation				2		1	4	2	1	10
Rwanda					3					3
Saint Kitts and Nevis					1					1
Saint Lucia		1				1				2
Samoa					1					1
San Marino							1			1
Sao Tome and Principe					1					1
Saudi Arabia		1				1				2
Senegal				1	3	2				6
Serbia							1	1		2
Seychelles					1					1
Sierra Leone						2	1		1	4
Slovakia							2			2
Slovenia							1			1
Somalia							1			1
South Africa			1		1	1	2			5
Spain		1		1	5	5	8	6		26
Sri Lanka					1					1
Sudan					1		1			2
Swaziland							1			1
Sweden			1		3	4	1			9
Switzerland					5	6	1	1		13
Syrian Arab Republic				1			3			4
Tajikistan						2				2
Tanzania united rep.			1		1	1	1			4
The FYR of Macedonia						2				2
Togo						2				2
Tonga				1			1			2
Trinidad and Tobago						2	1			3
Tunisia			1	1	2	1	1			6
Turkey					1	2	1	1		5
Uganda						2			1	3
Ukraine						1	1			2
United Kingdom			4	4	26	13	8	1		56
United States	1	1	7	11	44	46	26	6	2	144
Uruguay					1	2		1		4
Uzbekistan						1		1		2
Vanuatu							1			1
Venezuela				1		1	1			3
Viet Nam					1					1
Yemen					2	1				3
Zambia						2	1			3
Zimbabwe						1	2	1		4
<b>Grand total</b>	<b>2</b>	<b>12</b>	<b>37</b>	<b>68</b>	<b>306</b>	<b>364</b>	<b>199</b>	<b>64</b>	<b>20</b>	<b>1072</b>

*Annex 5: Financial and Programmatic Results***Strategic Objective: SO-A Sustainable intensification of crop production**

*Organizational Result AO1: Policies and strategies on sustainable crop production intensification and diversification at national and regional levels*

- Total expenditure USD 75.2 million (22% Net Regular Programme Appropriation, 78% Extrabudgetary Funds).
- All three targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	New or enhanced national or regional policies, strategies or programmes on sustainable crop production intensification or diversification, including responses to climate change	To be determined for sustainable crop production intensification and crop diversification	3 countries with policies/strategies/programmes on sustainable crop production intensification  2 countries with policies, strategies or programmes on crop diversification	5 countries with programmes on sustainable crop production intensification related programmes  2 countries with policies, strategies on crop diversification
02	Intergovernmental fora, including Committee on Agriculture (COAG) and Commission on Sustainable Development (CSD), provide guidance for the sustainable intensification of crop production (SCPI)	COAG and CSD	COAG and CSD	22nd session of COAG approved ecosystem approach to SCPI. 19th Session CSD adopted program on sustainable consumption and production
03	Number of countries with policies, programmes, strategies or projects to test, document and adopt practices that manage agricultural biodiversity and ecosystem services and preserve biodiversity.	3	4	21

*Organizational Result AO2: Risks from outbreaks of transboundary plant pests and diseases are sustainably reduced at national, regional and global levels*

- Total expenditure USD 33 million (44% Net Regular Programme Appropriation, 56% Extrabudgetary Funds).
- All four targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Adoption by the Commission on Phytosanitary Measures (CPM) of new or revised International Standards for Phytosanitary Measures (ISPMs), supplements, annexes, phytosanitary treatments and diagnostic protocols and appropriate implementation of international standards by	45 international standards 55 developing countries appropriately implement international standards	51 international standards Standards implemented appropriately in 60 developing countries	58 international standards 65 countries

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
	developing countries			
02	Percentage of desert locust affected countries and those affected by major non-locust transboundary plant pests receiving forecasts and other information including control strategies	100% of locust-affected countries and 10% of those affected by major non-locust transboundary plant pests	100% of locust-affected countries and 30% of those affected by major non-locust transboundary plant pests	100% of locust-affected countries and 30% of those affected by major non-locust transboundary plant pests
03	Number of national contingency plans developed for specific pest and disease threats other than desert locust, including weeds and woody plants	0	2	2
04	Number of countries applying preventive locust control systems or area-wide integrated application of the Sterile Insect Technique and other nuclear applications	9 countries for locusts 12 countries use nuclear applications to control fruit flies and moths	12 countries for locusts 13 countries using nuclear applications	12 countries 13 countries

*Organizational Result AO3: Risks from pesticides are sustainably reduced at national, regional and global levels*

- Total expenditure USD 27.4 million (23% Net Regular Programme Appropriation, 77% Extrabudgetary Funds).
- All four targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries having adopted measures to improve the life cycle management of pesticides aimed at reducing risks to human health and the environment	10	20	27
02	Countries improving regulatory control of the distribution and use of pesticides in accordance with international codes and conventions	10	20	28
03	Countries establishing or expanding Integrated Pest Management programmes to reduce reliance on pesticides	20	40	44
04	Number of countries that join the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade or take measures for its implementation	128 contracting Parties in 2009. Many contracting Parties that are developing	134 countries have joined the Rotterdam Convention 10 developing countries have	146 50

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
		countries have yet to take measures to implement the Rotterdam Convention	taken measures to implement the Rotterdam Convention	
<i>Organizational Result AO4: Effective policies and enabled capacities for a better management of plant genetic resources for food and agriculture (PGRFA) including seed systems at the national and regional levels</i>				
<ul style="list-style-type: none"> <li>Total expenditure USD 224.8 million (4% Net Regular Programme Appropriation, 96% Extrabudgetary Funds).</li> <li>All four targets met.</li> </ul>				
Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries joining the International Treaty on Plant Genetic Resources for Food and Agriculture (IT-PGRFA), or adopted national regulations for its implementation	121 Contracting Parties (2009) Most Contracting Parties do not have national regulations in place for implementation of the IT-PGRFA	125 countries have joined the IT-PGRFA 5 countries adopted national regulations/policies	125 countries have joined the IT-PGRFA 5 countries adopted national regulations/policies
02	Number of countries that have developed national PGRFA strategies/policies and national information sharing mechanisms (NISM) to reinforce the links among conservation, plant breeding and seed systems, in conformity with the Global Plan of Action for the Conservation and Sustainable Utilization of Plant Genetic Resources for Food and Agriculture (GPA-PGRFA)	10 developing countries 55 National Information Sharing Mechanisms (NISM) for monitoring implementation of GPA-PGRFA	12 developing countries 64 countries update NISMs for monitoring GPA implementation	14 developing countries 66 countries update NISMs for monitoring GPA implementation
03	Number of countries that have technical capacities and information on conservation, plant breeding, seed systems, biotechnology-biosafety and nuclear techniques, and number of subregions that have harmonized and endorsed seed-related regulatory frameworks	0 countries 1 subregion	5 countries 2 subregion	8 countries 2 subregions
04	Number of countries that have programmes at community level for management of PGRFA and seed production on-farm to respond to climate change and related risks and challenges	0	5	5

***Strategic Objective: SO-B Increased sustainable livestock production***

*Organizational Result BO1: The livestock sector effectively and efficiently contributes to food security, poverty alleviation and economic development*

- Total expenditure USD 102,7 million (9% Net Regular Programme Appropriation, 91% Extrabudgetary Funds).
- One of two targets met.
- Indicator 01 was not measurable. Technical, strategic, and political advice relevant to efficiency / productivity of the livestock sector was directly provided to decision makers, civil servants, and producers in over 35 countries. However it was not possible to determine the number of countries where the measures advised were implemented.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of countries implementing FAO-advised measures to enhance the efficiency and productivity of their livestock sector	30	35	Not measurable
02	Number of natural disasters and man-emergencies assisted with livestock related responses	N/A	15	Over 15 disasters/emergencies in 33 countries with livestock related responses.

*Organizational Result BO2: Reduced animal disease and associated human health risks*

- Total expenditure USD 108.6 million (10% Net Regular Programme Appropriation, 90% Extrabudgetary Funds).
- Both targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of the most significant animal and zoonotic, food- and vector-borne diseases covered by the FAO/OIE/WHO Global Early Warning System (GLEWS) platform on animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)	12	Most terrestrial and aquatic animal and zoonotic diseases (as identified/ updated by GLEWS and derived from criteria setup in the Terrestrial and Aquatic Animal Health Codes and the International Health Regulations (IHR 2005)	12
02	Number of developing and transition countries implementing national / regional action,	30	50	65

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
	facilitated and supported by FAO for prevention and control of priority animal / zoonotic diseases (domestic terrestrial and aquatic animals, wildlife)			

*Organizational Result BO3: Better management of natural resources, including animal genetic resources, in livestock production*

- Total expenditure USD 9.3 million (65% Net Regular Programme Appropriation, 35% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries implementing actions to mitigate the impact of livestock on environment and climate change	5	10	10
02	International agreements in which FAO's role in animal genetic resources and livestock-environment issues is recognized	None	CBD/UNFCCC recognizing FAO's normative role and responsibility in GRFA / post-Kyoto negotiations on agriculture, including livestock	FAO's normative role recognized
03	Number of developing and transition countries implementing national strategies and action plans (based on Global Plan of Action) for the improved management and conservation of animal genetic resources	9	10	10

*Organizational Result BO4: Policy and practice for guiding the livestock sector are based on timely and reliable information*

- Total expenditure USD 2.8 million (93% Net Regular Programme Appropriation, 7% Extrabudgetary Funds).
- One of the two targets met.
- Indicator 01 target was not met. Formal decision not yet reached. COAG requested FAO to further investigate suitable options for an informal broad based and voluntary participatory process focusing on consensus building and subsequent collective action among all sector stakeholders.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Status of COAG negotiation of Voluntary Guidelines for livestock sector guidance or Code of Conduct for a Responsible Livestock Sector	No negotiations	COAG decision whether to negotiate Voluntary Guidelines or Code of Conduct	No decision reached
02	World Livestock – flagship publication	World Livestock 2011	World Livestock (publication 2013)	2013 edition currently under preparation.

**Strategic Objective: SO-C Sustainable management and use of fisheries and aquaculture resources**

*Organizational Result CO1: Members and other stakeholders have improved formulation of policies and standards that facilitate the implementation of the Code of Conduct for Responsible Fisheries (CCRF) and other international instruments, as well as response to emerging issues*

- Total expenditure USD 31.5 million (70% Net Regular Programme Appropriation, 30% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries and Regional Fishery Bodies (RFB) that have developed at least one component of an appropriate policy or regulatory framework for the implementation of the CCRF and related instruments, including the formulation, adoption or implementation of policies, plans of action, laws and regulations and bilateral and regional agreements with specific attention to small-scale fisheries, overcapacity and IUU fishing (Illegal, Unreported and Unregulated fishing)	To be determined	5 additional countries 3 additional RFBs	15 additional countries. 10 additional RFBs
02	Number of international fisheries instruments (including international guidelines and legally binding instruments) that have been adopted under the auspices of FAO	To be determined	3 additional Chair's drafts	1 additional instrument (Port State Measures) and 2 draft instruments (Food Security Portal (FSP, Small-Scale Fisheries, SSF)
03	Number of countries and RFBs whose monitoring and statistics on fishery and aquaculture sectors have demonstrated improvement either in their coverage, level of detail, accuracy or comparability	To be determined	5 additional countries 3 additional RFBs	More than 10 additional countries and more than 3 additional RFBs

*Organizational Result CO2: Governance of fisheries and aquaculture has improved through the establishment or strengthening of national and regional institutions, including RFBs*

- Total expenditure USD 25.3 million (30% Net Regular Programme Appropriation, 70% Extrabudgetary Funds).
- Two out of three targets met.
- Indicator 01 target not met, following the decision by the Committee on Fisheries to de-emphasize the establishment of new Regional Fishery Bodies (RFB).

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that FAO has assisted in strengthening their institutions and institutional arrangements or in creating new ones, where needed, resulting in significant impact on the governance of the sector	To be determined	5	3
02	Number of Regional Fishery Bodies receiving FAO assistance that have conducted assessments of their performance and have taken steps to improve it	6 RFBs	2 additional RFBs	3 additional RFBs
03	Number of new Regional Fishery Bodies /Aquaculture networks (AqN) supported by FAO that have drafted statutes or agreements, in response to gaps identified in the governance of shared resources	To be determined	2 additional draft statutes or agreements of RFBs/AqNs completed	3 Two aquaculture networks and the CACFish Regional Fishery Bodies have been established. The 4 year target is likely to be met subject to the availability of financial and technical support

*Organizational Result CO3: More effective management of marine and inland capture fisheries by FAO Members and other stakeholders has contributed to the improved state of fisheries resources, ecosystems and their sustainable use*

- Total expenditure USD 31.4 million (19% Net Regular Programme Appropriation, 81% Extrabudgetary Funds).
- Two out of three targets met. Slight shortfall against target for indicator 01 because of insufficient staff.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries and RFBs that have formally adopted fisheries management plans or equivalent frameworks for their marine and inland capture fisheries and water ecosystems, which are consistent with the Code of Conduct and ecosystem approach to fisheries (EAF) and take into account the specific needs and contributions of small-scale fisheries	To be determined	4 additional countries 2 additional RFBs	6 countries 1 RFB
02	Percentage of projects, workshops or other FAO interventions that resulted in the adoption or revision of marine and inland fishery sustainable management practices and policies	To be determined	75%	100%

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
03	Number of countries that have utilized FAO guidelines and technical reports in the development of fishery policy and management plans	To be determined	5 additional countries	18 countries (possibly more but measurements not available)

*Organizational Result CO4: Members and other stakeholders have benefited from increased production of fish and fish products from sustainable expansion and intensification of aquaculture*

- Total expenditure USD 14.5 million (61% Net Regular Programme Appropriation, 39% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries adopting and implementing FAO instruments, norms, guidelines to foster sustainable growth of aquaculture	To be determined	10 additional countries	15 additional countries
02	Number of countries adopting and implementing FAO instruments and guidelines to increase social benefits of aquaculture (rural development, livelihoods)	To be determined	10 additional countries	More than 10% have adopted FAO technical guidelines on adopting a business-orientated methodology approach in aquaculture development, especially in Africa (such as Ghana, Zambia and Nigeria), in the biennium of 2010-2011
03	Number of countries where projects, workshops or other FAO interventions resulted in the adoption or revision of practices and policies aimed at the sustainable development and production of aquaculture	To be determined	10 additional countries	23 additional

*Organizational Result CO5: Operation of fisheries, including the use of vessels and fishing gear, is made safer, more technically and socio-economically efficient, environmentally-friendly and compliant with rules at all levels*

- Total expenditure USD 21.3 million (21% Net Regular Programme Appropriation, 79% Extrabudgetary Funds)
- All two targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries where fisheries are harvested using environmentally-friendly, safe, technically and economically	To be determined	5 additional countries	5 countries

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
	efficient fishing vessels, fishing gear and fishing practices			
02	Number of countries and RFBs which have established an operational vessel monitoring system (VMS) to enhance their capacity for monitoring, control and surveillance (MCS)	To be determined	3 additional countries 2 additional RFBs	5 additional countries and 3 additional RFBs

*Organizational Result CO6: Members and other stakeholders have achieved more responsible post-harvest utilization and trade of fisheries and aquaculture products, including more predictable and harmonized market access requirements*

- Total expenditure USD 11.4 million (50% Net Regular Programme Appropriation, 50% Extrabudgetary Funds)
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that have adopted good practices for fish utilization, marketing and trade, both at the government and industry levels	To be determined	5 additional countries	10
02	Number of countries that have adopted FAO recommended policies and practices to improve the fisheries and aquaculture post harvest sector.	To be determined	5 additional countries	25
03	Number of countries that have harmonized their fish trade laws, regulations and practices, including those applicable to seafood safety, with internationally agreed requirements and standards.	To be determined	5 additional countries	5

**Strategic Objective: SO-D Improved quality and safety of food at all stages of the food chain**

*Organizational Result DO1: New and revised internationally agreed standards and recommendations for food safety and quality that serve as the reference for international harmonization*

- Total expenditure USD 17 million (77% Net Regular Programme Appropriation, 23% Extrabudgetary Funds).
- One out of three targets met.
- Indicator 01 not measurable, because the interactive web page only became available for use in the last few months of 2011.
- Indicator 02 target not met because countries did not provide enough information to calculate it.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of national contact points that use the "MyCodex" Web page to interact with the Codex Secretariat and other Members	0	20	Not Available
02	Percentage of countries reporting their use of Codex standards at Codex Regional Coordinating Committee meetings and on regional Codex Web sites	CCEURO:41% CCNASWP:77% CCLAC:38% CCASIA:46% CCNEA:35% CCAFRICA:55%	At least 50% reporting in all regions	CCEURO: 70% CCNASWP: 80% CCLAC: 30% CCASIA: 46% CCNEA: 40% CCAFRICA: 27%
03	Percentage of FAO/WHO Expert Scientific advice outputs (food safety and nutrition) incorporated or utilized by relevant Codex Committees in the development of relevant of internationally-agreed standards and recommendation	80%	85%	92%

*Organizational Result DO2: Institutional, policy and legal frameworks for food safety/quality management that support an integrated food chain approach*

- Total expenditure USD 3.7 million (76% Net Regular Programme Appropriation, 24% Extrabudgetary Funds).
- Two targets met. Slight shortfall for indicator 01.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of developing/transition countries that have developed or adopted national food safety/quality policies on the basis of sound assessments and through participative processes	38	46	45

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
02	Number of developing/transition countries that have assessed their food safety/quality legislative frameworks, to identify legislative drafting priorities and to develop/adopt required legislation	47	55	63
03	Number of developing/transition countries that have established institutional mechanisms or reviewed/revised their procedures to improve existing institutional mechanisms for achieving coordinated food control along the food chain	30	38	39

*Organizational Result DO3: National/regional authorities are effectively designing and implementing programmes of food safety and quality management and control, according to international norms*

- Total expenditure USD 10.9 million (38% Net Regular Programme Appropriation, 62% Extrabudgetary Funds).
- All five targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of developing/transition countries that have developed risk-based food safety, including emergency preparedness, programmes which apply FAO best practices	22	21	31
02	Number of developing/transition countries that have or are developing food inspection and certification services meeting international recommendations	37	43	51
03	Number of developing/transition countries that have expanded their food analysis capacities in terms of numbers of analytical tests available or upgrading the quality of test results	45	50	63
04	Number of developing/transition countries that have developed national strategies and action plans for raising public awareness and education on food safety and quality, including nutritional benefits	15	24	43
05	Number of developing/transition countries that have established processes and structures designed to ensure regular inputs for Codex standard setting	45	60	68

*Organizational Result DO4: Countries establish effective programmes to promote improved adherence of food producers/businesses to international recommendations on good practices in food safety and quality at all stages of the food chain, and conformity with market requirements*

- Total expenditure USD 6.4 million (53% Net Regular Programme Appropriation, 47% Extrabudgetary Funds).
- All four targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of developing/transition countries that have developed integrated strategies and action plans for promoting compliance with good agricultural, manufacturing and hygiene practices	32	40	40
02	Number of countries that comprehensively incorporate food safety/hygiene considerations into programmes of good practice in primary production	25	35	37
03	Number of developing/transition countries with programmes of technical assistance to value chain actors in food safety/quality management that incorporate FAO best practices in food safety	34	42	43
04	Number of developing/transition countries with programmes to strengthen the capacity of farmers and businesses, and the institutions that support them, to comply with voluntary standards and schemes	20	24	28

**Strategic Objective: SO-E Sustainable management of forests and trees**

*Organizational Result EO1: Policy and practice affecting forests and forestry are based on timely and reliable information*

- Total expenditure USD 21.1 million (45% Net Regular Programme Appropriation, 55% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that complete a comprehensive improved national forest monitoring and assessment (NFMA) or MRV meeting FAO standards	9	10	12
02	Number of countries that submit complete reports for the global Forest Resources Assessment (FRA) 2010	130	150	172
03	Number of developing countries and countries in transition using the remote sensing methods and tools developed by FAO to generate estimates of forest area change at national level	0	0	6

*Organizational Result EO2: Policy and practice affecting forests and forestry are reinforced by international cooperation and debate*

- Total expenditure USD 7.9 million (75% Net Regular Programme Appropriation, 25% Extrabudgetary Funds)
- Two out of three targets met. Slight shortfall for indicator 01.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that are represented at regional forestry commissions (RFC) and COFO by senior forestry officials, and who find the meeting to be relevant and useful based on structured post-meeting surveys	80 (COFO) 108 (RFC)	90 (COFO) 120 (RFC)	89 (COFO) 122 (RFC)
02	Number of formal initiatives under Collaborative Partnership on Forests (CPF) undertaken by two or more CPF organizations	2	3	3
03	Number of initiatives related to global forest issues undertaken with international partners	5	7	8

*Organizational Result EO3: Institutions governing forests are strengthened and decision-making improved, including involvement of forest stakeholders in the development of forest policies and legislation, thereby enhancing an enabling environment for investment in forestry and forest industries. Forestry is better integrated into national development plans and processes, considering interfaces between forests and other land uses*

- Total expenditure USD 37.6 million (19% Net Regular Programme Appropriation, 81% Extrabudgetary Funds).
- One out of two targets met.
- Indicator 01 target not met. Many countries have developed new forest policies promoting sustainable forest management in the past years or have updated existing ones, but Forestry Administrations are still lagging behind in terms of their capacity to effectively implement these policies. Coordination and collaboration between the forest sector and other relevant sectors also needs further development.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of partner countries where the National Forest Programme Facility makes a positive impact as assessed by the Facility impact assessment tool	30	40	37
02	Number of countries that have updated their forest policies or laws following best participatory practices with FAO engagement	20	27	38

*Organizational Result EO4: Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation*

- Total expenditure USD 19 million (25% Net Regular Programme Appropriation, 75% Extrabudgetary Funds).
- Two out of three targets met. Slight shortfall for Indicator 02 (i).

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries using FAO guidelines for good practices in forestry including forest protection	5 fire guidelines	10	12
		5 planted forests guidelines	10	10
		0 forest health guide	5	5
02	i) Number of countries using FAO community-based fire management approaches and	0	(i) 5	(i) 4
	ii) Number of trainers trained	0	(ii) 40	(ii) 50
03	Number of countries using new programmes to enhance carbon stocks	0	0	0

*Organizational Result EO5: Social and economic values and livelihood benefits of forests and trees are enhanced, and markets for forest products and services contribute to making forestry a more economically-viable land-use option*

- Total expenditure USD 16.7 million (38% Net Regular Programme Appropriation, 62% Extrabudgetary Funds).
- One out of two targets met.
- Indicator 01 was not met, because amount mobilized was significantly lower than the USD 25 million forecasted in the PWB.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Countries expanding investment in forest products and forest services supported by strategy formulations, codes, good practices, trade statistics and capacity building provided by FAO	15	17	11
02	Number of Partnerships established with private sector and civil society to foster legal, sustainable and socially responsible forest product and service production	5	8	9

*Organizational Result EO6: Environmental values of forests, trees outside forests and forestry are better realized; strategies for conservation of forest biodiversity and genetic resources, climate change mitigation and adaptation, rehabilitation of degraded lands, and water and wildlife management are effectively implemented*

- Total expenditure USD 19.1 million (37% Net Regular Programme Appropriation, 63% Extrabudgetary Funds).
- Two out of four targets met.
- Indicator 02 and 03 targets not met, because competing priorities adversely affected the preparation of country reports for the State of the World's Forest Genetic Resources. Nevertheless, country reports should be available on time for integration in the global State of the World's Forest Genetic Resources (SoW-FGR) report in 2013.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that are using FAO guidelines, tools and expertise for improved policies and field implementation in conservation and sustainable use of forest biodiversity, watershed management, arid zone forest management and agro-forestry	10	20	40
02	Number of countries that provide reports on the State of the World's Forest Genetic Resources (to be completed by 2013)	0	60	3

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<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
03	Number of countries that have adopted FAO guidelines for integrating climate change strategies into national forest policies	0	5	0
04	Number of countries participating in comprehensive programmes intended to maintain or enhance the environmental values of forests by reducing deforestation and forest degradation (REDD-plus)	0	8	10

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***Strategic Objective: SO-F Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture***

***Organizational Result FO1: Countries promoting and developing sustainable land management***

- Total expenditure USD 35.2 million (31% Net Regular Programme Appropriation, 69% Extrabudgetary Funds).
- Both targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of countries whose land resources databases and geospatial infrastructure adopt FAO standards/criteria (as established by the "Spatial Information Management for Food and Agriculture" and the "Spatial Standards and Norms" Technical Report)	0	5	5
02	Number of countries which newly adopt national land use plans, national strategies and national land use legislation which are consistent with recent FAO guidelines and policies for sustainable land management (SOLAW, 2011, Towards a revised framework, 2007)	0	5	5

***Organizational Result FO2: Countries address water scarcity in agriculture and strengthen their capacities to improve water productivity of agricultural systems at national and river-basin levels including transboundary water systems***

- Total expenditure USD 63 million (20% Net Regular Programme Appropriation, 80% Extrabudgetary Funds)
- All three targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of countries or river-basin organizations whose water-scarcity coping strategies adopt FAO recommendations (Comprehensive Framework to cope with water scarcity)	0	4	8
02	Number of institutions which have adopted FAO water productivity enhancement tools and approaches (Water accounting methodology, MASSCOTE, AquaCrop)	0	8	50
03	Number of monthly visits to the FAO Water Web site	33,000	40,000	43,000

*Organizational Result FO3: Policies and programmes are strengthened at national, regional and international levels to ensure the conservation and sustainable use of biological diversity for food and agriculture and the equitable sharing of benefits arising from the use of genetic resources*

- Total expenditure USD 10.5 million (41% Net Regular Programme Appropriation, 59% Extrabudgetary Funds)
- Both targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of major outputs and milestones achieved, as defined by the Commission on Genetic Resources for Food and Agriculture (CGRFA) in its Multi-Year Programme of Work on biodiversity for food and agriculture which have been achieved	not applicable	One milestone and two major outputs achieved	1 milestone and 3 major outputs achieved.
02	Number of operational joint work plans or cooperation arrangements on biodiversity for food and agriculture with international fora, such as the Convention on Biological Diversity, the World Intellectual Property Organization and the International Treaty on Plant Genetic Resources for Food and Agriculture	0	2	2

*Organizational Result FO4: An international framework is developed and countries' capacities are reinforced for responsible governance of access to, and secure and equitable tenure of land and its interface with other natural resources, with particular emphasis on its contribution to rural development*

- Total expenditure USD 17.6 million (26% Net Regular Programme Appropriation, 74% Extrabudgetary Funds).
- Target met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	International consensus on measures to improve governance of access to, and secure and equitable tenure of land, and its interface with other natural resources	No consensus on specific measures	Draft voluntary guidelines	Draft voluntary guidelines

*Organizational Result FO5: Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy*

- Total expenditure USD 44.3 million (27% Net Regular Programme Appropriation, 73% Extrabudgetary Funds).
- One of the two targets met.

- Indicator targets not met. The multidisciplinary approaches are improving rapidly, but some aspects of the work are still hampered by silo approaches by sector departments and units accustomed to operate on their own.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that have developed action plans to address the challenges of climate change mitigation and adaptation in agriculture	43	48	58
02	Number of countries that have developed policies, strategies or action plans to address energy issues, including bioenergy, in agriculture	0	7	3

*Organizational Result FO6: Improved access to and sharing of knowledge for natural resource management*

- Total expenditure USD 18.5 million (62% Net Regular Programme Appropriation, 38% Extrabudgetary Funds).
- Both targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries with projects in place to enhance capacities of research and extension systems for sustainable natural resource management	25	30	51
02	Number of countries implementing programmes and strategies of communication for development for sustainable natural resource management	20	25	39

***Strategic Objective: SO-G Enabling environment for markets to improve livelihoods and rural development***

*Organizational Result GO1: Appropriate analysis, policies and services enable small producers to improve competitiveness, diversify into new enterprises, increase value addition and meet market requirements*

- Total expenditure USD 37.6 million (21% Net Regular Programme Appropriation, 79% Extrabudgetary Funds).
- Both targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of countries that have initiated policy or strategy reforms to help small producers to increase value addition and participate in changing markets	0	5	8
02	Number of countries that are implementing programmes to reinforce the provision of extension or other services to support small producers to participate effectively in changing markets	0	4	4

*Organizational Result GO2: Rural employment creation, access to land and income diversification are integrated into agricultural and rural development policies, programmes and partnerships*

- Total expenditure USD 11.5 million (22% Net Regular Programme Appropriation, 78% Extrabudgetary Funds).
- Target met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of countries which have revised their agriculture and rural development policies or programmes to give greater attention to decent rural employment, access to land or income diversification	0	4	7

*Organizational Result GO3: National and regional policies, regulations and institutions enhance the developmental and poverty reduction impacts of agribusiness and agro-industries*

- Total expenditure USD 15.3 million (48% Net Regular Programme Appropriation, 52% Extrabudgetary Funds).
- Two out of three targets met.
- Indicator 02 target not met, because target proved over ambitious given the resources available.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries with policies and strategies for enhancing the developmental impacts of agribusiness	0	5	5
02	Number of Ministries of Agriculture with institutional mechanisms for agribusiness, agro-industries or engaging the private sector in agricultural development	To be determined	6 more countries have begun to develop institutional mechanisms	5
03	Number of countries that have initiated programmes to reinforce public and private sector support to small- and medium agricultural enterprises	0	5	6

*Organizational Result GO4: Countries have increased awareness of and capacity to analyse developments in international agricultural markets, trade policies and trade rules to identify trade opportunities and to formulate appropriate and effective pro-poor trade policies and strategies*

- Total expenditure USD 22.3 million (87% Net Regular Programme Appropriation, 13% Extrabudgetary Funds).
- Two out of three targets met.
- Indicator 02 target not measurable. It was not possible to calculate whether the target was met as the baseline was not measured on time. Information does however indicate a significant increase in the use of market information collection and use.
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Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of page views/visits to FAO web sites containing information and analysis on developments in international agricultural commodity markets, trade policy and related trade negotiations issues	1384 979 page views 132 629 visits	Increase/same	2 864 240 page views 158 230 visits

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<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
02	Percentage increase in number of officials receiving FAO capacity development in the use of market and trade related information and analysis in market and trade related policy formulation targeted at enhancing smallholders' livelihoods and promoting rural development	0	25%	not measurable
03	Number of countries which have formulated market or trade related policies with explicit objectives related to improvements in smallholders' livelihoods	To be determined	4 additional countries	5

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**Strategic Objective: SO-H Improved food security and better nutrition**

*Organizational Result HO1: Countries and other stakeholders have strengthened capacity to formulate and implement coherent policies and programmes that address the root causes of hunger, food insecurity and malnutrition*

- Total expenditure USD 113.6 million (14% Net Regular Programme Appropriation, 86% Extrabudgetary Funds).
- Two out of three targets met.
- Indicator 01 target not met, because: a) A lack of critical human resources (insufficient expertise); b) the timing of extrabudgetary fund flows proved not to be consistently aligned with the need for sustained and coherent policy development); c) implementation took longer and was more complex because the increasing number of stakeholders, including international partners, considerably increased the length of policy and programming cycles.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries and Regional Economic Integration Organizations (REIOs) that have formulated sectoral and cross-sectoral food security and nutrition policies, strategies or programmes (including NPFS/RPFS)	0 countries	(i) 11 countries (NPFS) and 2 REIOs (RPFS)  (ii) ex-ante policy/programme assessments in 3 countries	(i) 9 NPFS and 3 RPFS.  (ii) 3 ex-ante assessments
02	Number of countries and REIOs that have implemented sectoral and cross-sectoral food security and nutrition policies, strategies and programmes (including NPFS/RPFS)	16 NPFS and 4 RPFS	(i) 27 NPFS and 6 RPFS  (ii) 5 countries (food security and nutrition policies)	(i) 27 NPFS and 7 RPFS  (ii) 5 countries
03	Number of countries piloting a cross-sectoral results-based policy and programme monitoring system covering food insecurity, hunger and/or malnutrition concerns	0	2	2

*Organizational Result HO2: member countries and other stakeholders strengthen food security governance through the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security and a reformed Committee on World Food Security*

- Total expenditure USD 13.3 million (27% Net Regular Programme Appropriation, 73% Extrabudgetary Funds).
- All four targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries in which institutions have adopted and applied principles of good governance in the formulation, implementation or monitoring of food and nutrition policies and programmes	0	3	4

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
02	Number of countries that have developed or strengthened legal, institutional, or policy frameworks for the progressive realisation of the right to adequate food	0	7	9
03	Number of countries that have undertaken advocacy, communication and/or education strategies in support of the right to food	0	7	10
04	Number of FAO policy documents that provide ways and means to strengthen global food security governance	0 documents	2 documents	2

*Organizational Result HO3: Strengthened capacity of member countries and other stakeholders to address specific nutrition concerns in food and agriculture*

- Total expenditure USD 19.3 million (25% Net Regular Programme Appropriation, 75% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries that have incorporated nutrition objectives into sectoral policies and/or into their Poverty Reduction Strategy	0	3	6
02	Number of countries that have assessed and analysed the impact of changing food systems on nutrition	0	2	4
03	Number of countries that have developed and endorsed national dietary guidelines and/or have implemented national nutrition education programmes	0	3	6

*Organizational Result HO4: Strengthened capacity of member countries and other stakeholders to generate, manage, analyse and access data and statistics for improved food security and better nutrition*

- Total expenditure USD 27.2 million (47% Net Regular Programme Appropriation, 53% Extrabudgetary Funds).
- All three targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries using FAO guidelines, methodologies or standards for collecting, analysing and disseminating data and statistics on food and agriculture	25	35	41
02	Number of countries supported by FAO to conduct training in data collection, compilation, analysis or dissemination of food and agricultural statistics	25	40	113
03	Access to FAO databases and statistical publications as measured by the average number of hits per month on the FAOSTAT Web site	6 million hits	6.5 million hits	7.9 million

*Organizational Result HO5: member countries and other stakeholders have better access to FAO analysis and information products and services on food security, agriculture and nutrition, and strengthened own capacity to exchange knowledge*

- Total expenditure USD 50.1 million (48% Net Regular Programme Appropriation, 52% Extrabudgetary Funds)
- Two out of three targets met.
- Indicator 01 target not met because of financial and human resource constraints preventing to take full advantage of global interest in its analytical work and growing opportunities for facilitating knowledge sharing and information exchange in Member Countries.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Average number of web visitors per month searching for FAO knowledge and information resources, products or expertise on food security, agriculture and nutrition	4 million visitors	5 million visitors	Average Number of visits for 2011 was 4.1 Million per month, maximum amount was 5.3 million visits (November 2011)
02	Number of FAO 'flagship' publications, peer reviewed books or journal articles, and other major publications documenting food security and nutrition-related research and analysis	15 publications	17 publications	27 publications.

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<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
03	Number of member country institutions, partners or other stakeholders using FAO's information and knowledge management standards, tools or services (AGROVOC, AGRIS and AGMES)	130 institutions, partners or other stakeholders	190 institutions, partners or other stakeholders	395 institutions, partners or other stakeholders

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***Strategic Objective: SO-I Improved preparedness for, and effective response to, food and agricultural threats and emergencies***

*Organizational Result IO1: Countries' vulnerability to crisis, threats and emergencies is reduced through better preparedness and integration of risk prevention and mitigation into policies, programmes and interventions*

- Total expenditure USD 96.2 million (5% Net Regular Programme Appropriation, 95% Extrabudgetary Funds).
- All three targets met.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Number of vulnerable countries having established or taking steps to improve early warning systems for agriculture and food security using coordinated platforms	16	25	27
02	Number of countries and partners having incorporated agriculture and food security into contingency plans	10	10	28
03	Number of high risk disaster hotspot countries with specific Disaster Risk Reduction action plans for agriculture included in their national DRM plans	7	11	12

*Organizational Result IO2: Countries and partners respond more effectively to crises and emergencies with food and agriculture-related interventions*

- Total expenditure USD 183.7 million (1% Net Regular Programme Appropriation, USD 99% Extrabudgetary Funds)
- Two out of three targets met.
- Indicator 02 target not met, Because target to ambitious given the resources available.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Percentage of countries where FAO has participated in needs assessments leading to time critical actions that support coordinated national response plans and activities	41%	50%	80%
02	Number of countries supported by FAO that have implemented the food security cluster approach to formulate and manage emergency response	26	37	27
03	Percentage of countries where FAO emergency projects and programmes analysed gender and formulated and monitored response based on gender-differentiated needs	43%	50%	67%

*Organizational Result IO3: Countries and partners have improved transition and linkages between emergency, rehabilitation and development*

- Total expenditure USD 312.2 million (1% Net Regular Programme Appropriation, 99% Extrabudgetary Funds)
- Two out of three targets met.
- Indicator 02 target not met, because donors in practice were not as interested as anticipated to fund transition to development activities in this area.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Percentage of countries supported by FAO that have developed and deployed rehabilitation plans or resource mobilization strategies for agricultural recovery and transition	29%	40%	56%
02	Percentage of countries with FAO-supported capacity development post-crisis that have implemented measures to strengthen the resilience of food and agricultural systems	43%	60%	59%
03	Percentage of FAO-supported emergency interventions that have included exit strategies and linked medium- to long-term recovery and development objectives	15%	20%	61%

***Strategic Objective: SO-K Gender equity in access to resources, goods, services and decision-making in the rural areas***

*Organizational Result KO1: Rural gender equality is incorporated into UN policies and joint programmes for food security, agriculture and rural development*

- Total expenditure USD 2.7 million (41% Net Regular Programme Appropriation, 59% Extrabudgetary Funds).
- Both targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries receiving FAO assistance that have formulated gender-sensitive UN joint programmes	0	3	3
02	Number of "Delivering as One" countries receiving FAO assistance that have included rural gender issues in their programmes	0	1	3

*Organizational Result KO2: Governments develop enhanced capacities to incorporate gender and social equality issues in agriculture, food security and rural development programmes, projects and policies using sex-disaggregated statistics, other relevant information and resources*

- Total expenditure USD 11.4 million (12% Net Regular Programme Appropriation, 87% Extrabudgetary Funds).
- Both targets met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of national institutions or initiatives receiving FAO's technical support that have adopted the socio-economic and gender analysis (SEAGA) tool or other similar methodologies for policy, programme or projects	10	12	12
02	Number of countries that collect, analyse and use sex-disaggregated food and nutrition security and rural development data	15	20	28

*Organizational Result KO3: Governments are formulating gender-sensitive, inclusive and participatory policies in agriculture and rural development*

- Total expenditure USD 7.4 million (50% Net Regular Programme Appropriation, 50% Extrabudgetary Funds).
- Target met.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries making use of advice received from FAO in their policy dialogue and formulation processes	6	0	3

*Organizational Result KO4: FAO management and staff have demonstrated commitment and capacity to address gender dimensions in their work*

- Total expenditure USD 4.7 million (96% Net Regular Programme Appropriation, 4% Extrabudgetary Funds).
- One out of two targets met.
- Indicator 01 target not met because it did not prove to be a reliable or relevant representation of desired outcomes under the Organizational Result. The indicator will be changed for the next MTP/PWB.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Percentage of products/services in FAO work plans that are gender-sensitive	27%	2% improvement over baseline	Fallen 9%
02	Number of FAO units at headquarters and decentralized offices that monitor programme implementation against gender-sensitive targets and indicators	4	6	6

***Strategic Objective: SO-L Increased and more effective public and private investment in agriculture and rural development***

*Organizational Result LO1: Greater inclusion of food and sustainable agriculture and rural development investment strategies and policies into national and regional development plans and frameworks*

- Total expenditure USD 25.5 million (53% Net Regular Programme Appropriation, 47% Extrabudgetary Funds).
- None of two targets met as it did not prove practical or cost-effective to collect data on these indicators in this biennium.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of countries where FAO's upstream work identifying specific investment opportunities led to financing by IFIs, donors or national governments within 3 years of implementation	16	18	Data not available
02	Percentage of ODA allocated to FSARD	5.50%	6.50%	5.63% (2010)

*Organizational Result LO2: Improved public and private sector organisations' capacity to plan, implement and enhance the sustainability of food and agriculture and rural development investment operations*

- Total expenditure USD 23.2 million (60% Net Regular Programme Appropriation, 40% Extrabudgetary Funds).
- One of two targets met.
- Data for Indicator 02 not measurable, as survey results were expected in 2<sup>nd</sup> quarter 2012.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Percentage of Investment Centre Division's consultant weeks on investment development delivered by national experts	N/A	20%	28%
02	Percentage of surveyed countries which have demonstrated at least 70% satisfaction level with FAO-provided capacity building in support for investment	N/A	60%	Not available

*Organizational Result LO3: Quality assured public/private sector investment programmes, in line with national priorities and requirements, developed and financed*

- Total expenditure USD 46.1 million (28% Net Regular Programme Appropriation, 72% Extrabudgetary Funds).
- One out of three targets met.
- Indicator 02 was not met because (i) there has been a reshaping of the AGS support to public-private partnerships (PPPs), following the realization that the initial focus has to be more on capacity development than investment per se and (ii) the appraisal process of PPPs has also

been more time consuming and challenging than anticipated. However, it is expected that the 2013 target will be met.

- Data for Indicator 03 not measurable.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	FAO-supported investment funding of Food Security & Agricultural Rehabilitation and Development (FSARD)operations (4-year rolling average)	USD 3.3 billion	USD 3.5 billion	USD 3.8 billion
02	Number of countries where a minimum of three public-private partnerships for investment in agro-industries have been established with FAO technical support	0	4	1
03	FSARD investment quality rating by partner International Financing Institutions (IFIs)	90% satisfactory at entry; 90% satisfactory at supervision	90% satisfactory at entry; 90% satisfactory at supervision	Not available

**Functional Objective: FO-X Effective collaboration with member states and stakeholders**

*Organizational Result XO1: Effective programmes addressing Members' priority needs developed, resourced, monitored and reported at global, regional and national levels*

- Total expenditure USD 75.1 million (44% Net Regular Programme Appropriation, 56% Extrabudgetary Funds).
- All seven targets met. Note, however, under indicator 04, that although the level of resources mobilized in the biennium is less than in 2008-09, it is consistent with the overall trend. The funding in 2008-09 was exceptionally high level, because of contributions from the European Commission and from the European Union Food Facility following the 2007-08 global food price crisis.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Number of policy assistance requests to headquarters and decentralized offices which have been met	22	Baseline + 1%	25
02	Number of countries where results-based medium term priority frameworks have been adopted, which are aligned with sector policies	0	10	10
03	Number of regions where priority action plans have been formulated, informed in part by CPFs and subregional priority action plans	0	5	5
04	Biennial level of voluntary contributions mobilized in 2012 - 2013	USD 2.0 billion (level of voluntary contributions mobilized in 2008-09)	Stable trend	USD 1.5 billion in 2010-11
05	Percentage point deviation between the increase in the FAO biennial approved Regular Budget and the average of five specialized agencies (FAO, ILO, UNESCO, WHO, IAEA)	1.3 (2010-11 biennium versus 2008-09 biennium)	0 or greater	1.2
06	Proportion of headquarters' units and decentralized offices complying with established corporate standards for performance monitoring and operational planning	N/A	60%	64%
07	Percentage of donor-funded projects/programmes (not including TCP) meeting FAO corporate quality standards during implementation and at the end of each year of implementation	30%	40%	61%

*Organizational Result XO2: Effective and coherent delivery of FAO core functions and enabling services across Organizational Results*

- Total expenditure USD 99.2 million (97% Net Regular Programme Appropriation, 3% Extrabudgetary Funds).
- One out of three targets met. Two targets yet to be set (indicator 04 and 05).
- Indicator 02 and 03 not measurable due to the delayed implementation of the Information Technology/Knowledge Management governance framework.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Percent of departmental staff and non-staff resources deployed to Strategic Objectives led by other departments	13%	16%	35% (based on the aggregate SO analysis using the PWB 2012-13)
02	Percent of products and services related to information and knowledge management and statistics, implemented in accordance with FAO's Corporate Strategy	N/A	20%	not measurable
03	Percent products and services related to information systems, global infrastructure and communication technologies implemented in accordance with FAO's corporate strategy	60% (to be confirmed through survey)	80%	not measurable
04	Percent of capacity development products and services implemented in accordance with FAO's corporate strategy	0	To be determined	15%
05	Percent of policy assistance products and services implemented in accordance with Policy Assistance Node	0	To be determined	100%

*Organizational Result XO3: FAO's activities enhanced through effective corporate communication and advocacy, key partnerships and alliances*

- Total expenditure USD 25 million (74% Net Regular Programme Appropriation, 26% Extrabudgetary Funds).
- Five out of eight targets met.
- Indicator 02 target not met, because in retrospect it was set at too ambitious a level.
- Data for Indicator 04 and 05 not measurable. Not yet in a position to assess whether existing or new partnerships are in line with the guiding principles of the FAO organization wide strategy on partnerships or the FAO Strategy for Revitalizing Collaboration with the UN System. However, it should be noted that a stocktaking of partnerships between FAO and UN agencies conducted in 2011, indicated that FAO is working in collaboration with UN agencies on hundreds of projects.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Average monthly traffic to <a href="http://www.fao.org">www.fao.org</a>	3.614 million visits per month	3.890 million	4.3 million
02	Percentage of FAO news stories covered monthly by leading TV, radio, print and or social media in three or more official languages	5 % per month	10 % per month	5.3% 2010 / 6% 2011
03	Number of FAO Member States, organizing and promoting advocacy campaigns related to hunger awareness including World Food Day (WFD) and special initiatives	100 countries observing WFD	120 countries participating in advocacy initiatives such as WFD	131 Member States - 2010 125 Member States - 2011
04	Number of partnerships implemented that reflect the guiding principles of the FAO organization-wide strategy on partnerships	0	36	Not available
05	Number of countries where FAO is participating in UN partnerships that are aligned with the FAO strategy on partnerships with the UN system	8	22	Not available
06	Number of collaborative arrangements with the Rome-based agencies, WFP and IFAD, that are implemented in line with jointly agreed Action Plans	3	4	7
07	Number of civil society groups engaged in policy fora and/or collaborating in technical programmes and activities of FAO	2 FAO regional conferences organize NGOs/CSOs consultations	3 FAO regional conferences organize NGOs/CSOs consultations	4
08	Number of partnerships established with the private sector in line with established FAO strategic guidelines at the global, regional and national level	1 strategic partnership with the private sector	3 new strategic partnerships with the private sector	3

*Organizational Result XO4: Effective direction of the Organization through enhanced governance and oversight*

- Total expenditure USD 72.4 million (93% Net Regular Programme Appropriation, 7% Extrabudgetary Funds).
- Six out of eight targets met.
- Indicator 01 was not met, because the increase in the budget of the Office of Evaluation foreseen by the IPA was spread over two biennia to allow a gradual improvement of the Office's delivery capacity.

- Indicator 02 was not met, because resource cuts affected the capacity of the Organization to implement accepted recommendations that required additional resources.

<b>Indicator</b>	<b>Indicator Text</b>	<b>Baseline</b>	<b>Target - at end 2011</b>	<b>Result</b>
01	Percent of the Organization's budget (Regular Programme accruing to the Evaluation Function)	0.50%	0.8%	0.7%
02	Percent of accepted evaluation recommendations implemented within the agreed timeline	50%	90%	84%
03	Percent of audit recommendations made by AUD that are accepted and implemented by management	70%	75%	95%
04	Percentage of investigation reports and referrals that are considered and decisions made on them by responsible units	75%	75%	77%
05	Percent of Conference and Council decisions implemented by FAO within prescribed deadlines	75%	80%	85%
06	Percent of documents for governing bodies produced according to agreed timelines	70%	80%	85%
07	Staff response rate to ethical training	0%	50%	57%
08	Response rate to requests for legal advice and clearances	80%	80%	100%

**Functional Objective: FO-Y Efficient and effective administration**

**Organizational Result YO1: FAO's support services are recognized as client-oriented, effective, efficient and well-managed**

- Total expenditure USD 111.2 million (62% Net Regular Programme Appropriation, 38% Extrabudgetary Funds).
- One out of four targets met. Small shortfall on indicator 05 against the target.
- Indicator 01 was not met because it was agreed that work on drafting SLAs would only start when the IPA projects for procurement had been finalized (i.e. June 2012).
- Indicator 02 was not met because work on benchmarking started but not completed due to competing priorities.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Percentage of corporate services which could benefit from a Service-Level Agreement (SLA) covered by a SLA	0%	20%	7.7%
02	Share of services covered by SLAs that are benchmarked	To be determined, based on inventory of services	20%	5%
04	Introduction of formal internal control reporting	None	Preparation underway	Preparatory and conceptual work completed mostly by a report by the Office of the Inspector General
05	Improvement in client satisfaction	N/A: New process to be put in place in 2011	50% satisfied	48% satisfaction (survey as at end 2011)

**Organizational Result YO2: FAO is recognized as provider of comprehensive, accurate, and relevant management information**

- Total expenditure USD 31.9 million (74% Net Regular Programme Appropriation, 26% Extrabudgetary Funds).
- Two out of three targets met, with slight shortfall on indicator 03 not achieving the anticipated level of satisfaction.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	FAO receives unqualified annual external audit opinion	FAO currently has biennial unqualified external audit opinion	Biennial unqualified external audit opinion	Unqualified external audit opinion on 2008-2009 FAO accounts
02	Percentage of clients who report satisfaction with information retrieved from the administrative corporate management information systems	N/A: New process to be put in place in 2011.	50% satisfied	50% satisfaction rate according to the CS Survey

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
03	Percentage of clients who report improved ability to produce final reports on corporate information through use of standard reporting tools	N/A: New process to be put in place in 2011.	50% satisfied	44% satisfaction according to the CS Survey (this represents 87% delivery rate)

*Organizational Result YO3: FAO is recognized as an employer that implements best practices in performance - and people-management, is committed to the development of its staff, and capitalizes on the diversity of its workforce*

- Total expenditure USD 26.1 million (88% Net Regular Programme Appropriation, 12% Extrabudgetary Funds).
- Four out of six targets met.
- Indicator 03 not met because the current staff mobility scheme is purely voluntary. As a result staff are not obliged to accept the transfer opportunities that are proposed. The expected introduction of a more managed mobility programme is likely to facilitate progress towards this indicator.
- Indicator 06 target not met. The omission to achieve the anticipated level of staff satisfaction arose because of the combined effect of staff vacancies in some of key personnel units and substantial delays in rolling out improved policies due to the need for extensive consultation.

Indicator	Indicator Text	Baseline	Target - at end 2011	Result
01	Percentage of managers who completed the FAO Core Managerial Training programme (% of all P5-above)	0%	19%	30%
02	Competency improvement ratios (based on % of staff taking part in PEMS and their increase in competency rating)	0%; To be determined (competency ratios are not yet in place)	85% of staff participate in PEMS; 20% increase in competency ratings	86% of staff participated in PEMS. (The second part of this indicator cannot be measured at this stage as there is no baseline yet)
03	Percentage increase in mobility in workforce measured by a reduction of staff members in same grade or post for the last eight years	18%	16%	As at December 2011, 19% of both Professional and GS staff (posts on all sources of funding), have remained in the same grade or post for the last eight years
04	Improved gender representation at all levels measured by proportion of female staff by category	GS: 64%; P: 33%; D: 15%	GS: To be determined; P: 36%; D: 18%	GS: 66%; P-level: 37%; D-level: 22.7%
05	Percentage number of member countries that are equitably represented	61%	64%	72.8%
06	Increased client satisfaction with HR policies	N/A: New process to be put in place in 2011	50% satisfied	29%