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para la  
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## CONFERENCE

### Thirty-eighth Session

Rome, 15-22 June 2013

### Final Management Report on Immediate Plan of Action Implementation and the FAO Reform Process - Executive Summary

#### Executive Summary

1. Implementation of the Immediate Plan of Action (IPA) started in 2009 and finished in December 2012. This report provides a synopsis of the FAO reform covering its history, the progress made in implementing the IPA, the impact of the reform, and the mainstreaming of ongoing work in a context of continuous and integrated reform.

#### A brief history

2. The reform started in November 2005 when the FAO Council launched the Independent External Evaluation (IEE) of the Organization, probably “...*the largest and most ambitious evaluation ever attempted of a global intergovernmental organization*”<sup>1</sup>. The terms of reference instructed the evaluation ...*to chart the way forward, to better meet the challenges of the future in an evolving global environment, including newly emerging needs of member countries, and to position FAO, based on its strengths and comparative advantages ... (The evaluation) should help to strengthen the sense of unity and purpose among the membership of the Organization, and to make FAO fit for the twenty-first century and the challenges ahead.*”<sup>2</sup>

3. The report of the IEE comprised 109 recommendations with 330 actionable sub- components. It concluded that, without a doubt, the World needed FAO, but FAO needed to change, in a major way and with a sense of urgency, to be fit for the 21<sup>st</sup> Century and the challenges ahead. It reported that FAO needed a new Strategic Framework, to invest in Governance, institutional culture change and reform of administrative and management systems, and to restructure for effectiveness and efficiency in both headquarters and the field.

4. The FAO Conference in 2007<sup>3</sup> welcomed the IEE report and established a Conference Committee for IEE follow-up (CoC-IEE) to develop an Immediate Plan of Action (IPA) that would address the weaknesses identified by the IEE. During 2008, the CoC-IEE worked under intense

<sup>1</sup> Para 1 IEE report, C2007/7A.1

<sup>2</sup> Report to the Council of the Inter-Sessional Working Group for the Independent External Evaluation of FAO (IEE), CL 129/10

<sup>3</sup> C2007/5

deadlines with support from management and staff at all levels in the Organization to finalize the Immediate Plan of Action. Less than 11 months after the adoption of the IEE report, the IPA report had been produced containing 238 IPA actions, and this was approved by a Special Session of Conference in 2008<sup>4</sup>.

5. The IEE had commented<sup>5</sup> that FAO had a heavy and costly bureaucracy with expensive financial and administrative services, especially in terms of indirect “hidden” costs incurred by the user community. It recommended<sup>6</sup> that a comprehensive root and branch review be undertaken on all aspects of the Organizations human and financial resources management and administration. An external agency<sup>7</sup> was engaged to undertake this review and the final report was produced in April 2009. The root and branch review recommendations were incorporated, together with other early and miscellaneous actions<sup>8</sup>, into the IPA in 2009 to create an Integrated IPA containing 274 actions.

### Implementing the IPA

6. Implementation of the IPA started in 2009, and during 2009 management adopted a “quick win” approach to address the easiest and least complex actions, and 118 IPA actions were successfully implemented by December 2009. However, management indicated to members that, although almost 50% by number of the original 238 IPA actions had been completed, this represented completion of approximately 20% of the FAO reform programme, because the IPA programme that remained to be completed included many large and complex projects that would be time consuming and challenging to implement.

7. Indeed it was during the 2010-11 biennium that implementation moved to full speed across the whole IPA programme with significant progress being made on the larger and more complex projects. By the end of 2011 218 IPA actions had been completed, leaving 56 actions to be completed during 2012-13.

8. In early 2012 the newly elected Director-General expressed his full commitment to a successful completion of the FAO renewal process but stated that the Organization could not go on reforming forever. The renewal process needed to be brought to a satisfactory conclusion as soon as possible, with IPA actions being completed within 2012 and mainstreamed in the work of the Organization. He provided a new direction to FAO renewal that focused on the need to accelerate the reform process, to concentrate on benefits rather than rates of completion, and to mainstream IPA actions into the work of the Organization.

9. December 2012 marked the end of IPA programme implementation with 252 IPA actions completed. Of the 22 remaining IPA actions only seven have substantial activity remaining to be undertaken, with a further seven actions having minor overruns but completing by Conference 2013, three actions that members requested in 2012 be considered “parked”, three actions which are the responsibility of members to complete, and two actions that by their nature (review and oversight of the reform process) cannot complete before all IPA actions have completed.

### Mainstreaming

10. Mainstreaming is the process through which these 22 IPA actions and associated benefits are integrated into the regular work of the Organization, ensuring no diminution of responsibility or accountability for completing the activities. To this end, the required resources, previously identified as “IPA recurrent costs” have been integrated into the relevant budgets for 2014-15. The related activities and their results are part of FAO’s outputs and outcomes and performance will be measured as part of the overall corporate performance monitoring system.

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<sup>4</sup> Conference Resolution 1/2008

<sup>5</sup> Para 1221 IEE report

<sup>6</sup> Recommendation 8.1

<sup>7</sup> Ernst & Young

<sup>8</sup> 3 DG early actions, 2 on IPA communications, 1 on Ombudsman appointment and 1 on the number of CoC-IEE meetings per year

11. It is not management's intention to provide further reports to members on the IPA programme as a whole, but members will be fully informed regarding when these outstanding activities will complete, who is responsible for ensuring completion, who is responsible for monitoring progress, and how progress will be reported to members. The report provides this information to members for each activity so that outstanding activities are fully mainstreamed into the ongoing work of the Organization.

### Funding the IPA

12. Implementation of the IPA started in 2009, which was in the middle of a biennium, and it was necessary to fund the first year by means of voluntary contributions. A Trust Fund was established and requests for contributions made to members. Contributions of USD 9.15 million were received and this, together with other voluntary contribution sources, provided a budget for IPA implementation in 2009 of USD 12.37 million.

13. Resources in 2010-11 and 2012-13 were provided through members' assessed contributions - USD 44.91 million in 2010-11 and USD 49.69 million in 2012-13. The total gross funding made available to implement the IPA programme was therefore USD 106.97 million. The IPA programme has generated savings totalling USD 15.88 million, bringing the net budget for IPA implementation in the period 2009 – 2013 to USD 91.09 million.

14. As at the end of 2012, USD 75.88 million had been expended on the IPA programme. Subtracting total expenditure from total gross budget (and allowing for the USD 3.45 million of unspent funds at the end of 2011 that were not carried forward but contributed to efficiency savings) produces a balance of USD 27.64<sup>9</sup> million that has been fully accounted for in the IPA expenditure plan for 2013.

### Impact of the Reform

15. The IEE recognized<sup>10</sup> the mammoth nature of the undertaking it was recommending and noted that most organizational change programmes fail and are quietly and unceremoniously abandoned. However, it commented that the fruits of a successful implementation would be that FAO would be truly fit for the 21<sup>st</sup> Century and would have set a new standard of excellence for multinational organizations.

16. The Immediate Plan of Action was organized into four sections which provided an excellent structure for a reform action plan, but was not a good structure for management action because management needed to allocate responsibility for leading each IPA action with senior managers who were responsible for each functional area. FAO management therefore organized the IPA into 29 projects, with each project representing a functional area, and being led by a senior manager who had responsibility for that functional area.

17. However, neither the original structure of the IPA or the 29 IPA projects provide an appropriate structure for considering the impact of that plan in terms of the benefits to the Organization of the reform. This is because an IPA action that appears in one part of the IPA often has a beneficial impact in another part.

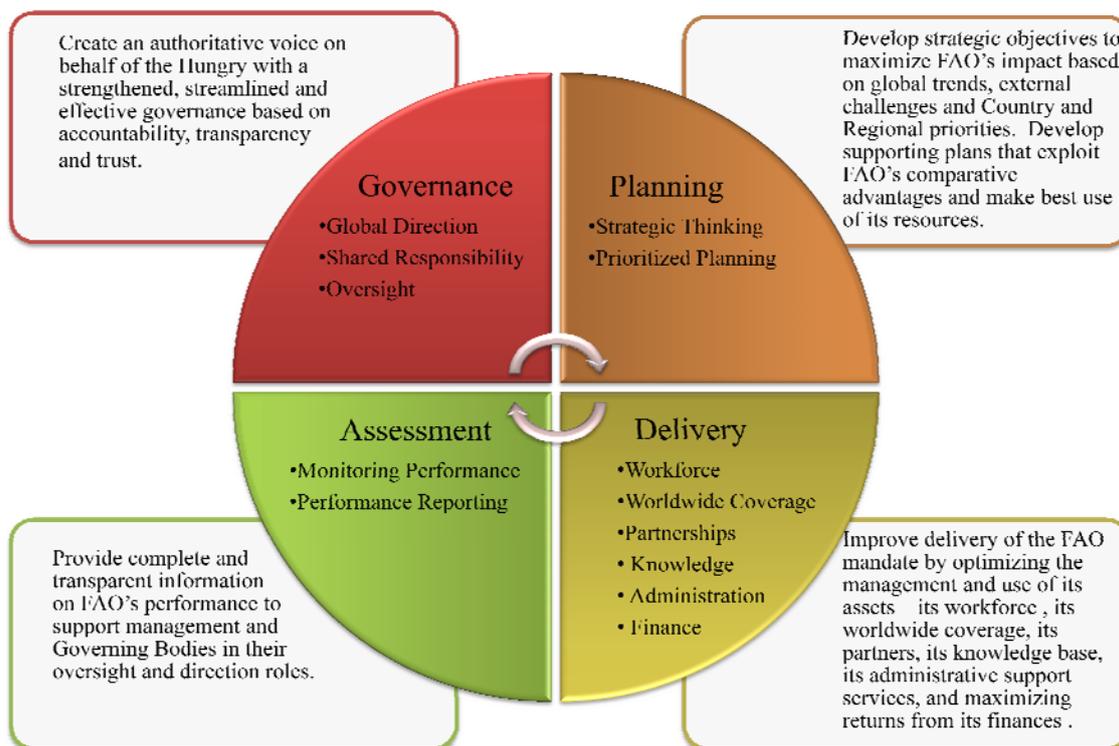
18. What was needed was a structure that described the flow of work through the Organization so that the beneficial impact at each stage of that workflow can be described. This structure is the benefits framework that was constructed in 2012 (see figure below) to describe the flow of work through the Organization.

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<sup>9</sup> USD 106.97 million less USD 75.88 million less USD 3.45 million = USD 27.64 million

<sup>10</sup> IEE report para 119-120

### Benefits Framework



19. The benefits framework comprises four areas (quadrants) of activity that represent the cycle of work in the Organization:

- i) Planning - how FAO develops its objectives and plans its work;
- ii) Delivery - how FAO uses its assets and resources (staff, worldwide coverage, knowledge, partnerships, administration, finance) to deliver its services;
- iii) Assessment - how FAO monitors its performance and reports this to management and members; and
- iv) Governance - how FAO members provide oversight and direction to the Organization.

#### Planning - how FAO develops its objectives and plans its work

20. The overarching objective of FAO reform is to transform the Organization into one that manages for results. This requires the clear articulation of Member objectives and the design and delivery of measurable results with clear impact.

21. In terms of a clear articulation of Member objectives, the Conference in 2009 established a results based approach for FAO comprising Strategic Objectives (development outcomes contributing to the achievement of the Global Goals), Functional Objectives (the enabling environment for FAO's work), Core Functions (the means of action to be employed by FAO to achieve results) and Organizational Results (the outcome of FAO's work as measured by indicators and targets).

22. However, it was recognized that changes of this magnitude will require more than one biennium to be introduced and fully operational, and the review of the Strategic Framework of FAO is part of the established planning, programme and budget system introduced by the Conference at its 36<sup>th</sup> session in November 2009.<sup>11</sup>

23. In 2012, the Strategic Thinking process was launched by the Director-General which elaborated the global trends expected to shape the conditions under which agricultural development is

<sup>11</sup> Conference Resolution 10/2009

foreseen to take place, the main challenges extrapolated from the trends, and FAO's basic attributes, core functions and comparative advantages in relation to the main challenges. As a result five strategic objectives for the future work of the Organization were developed, extrapolated from the main challenges and the analysis of FAO's comparative advantages. The process was undertaken in a holistic and inclusive manner, with participation of staff and management at headquarters and in the decentralized offices and by consultation with a wide range of external partners. The entire process was underpinned by extensive dialogue with FAO's Members through Governing Body meetings including inputs from Regional Conferences to ensure that Regional priorities were fully reflected.

24. As a result FAO now has a process for developing strategic objectives based on global trends and challenges within the area of its mandate, that reflects Regional priorities and takes into account FAO's technical competencies and comparative advantages. With these limited, focused priorities and clearly defined objectives and functions, FAO can direct its work more effectively towards achieving the outcomes that Members want, with a clear and measurable impact of FAO's products and services on the Organizations beneficiaries.

25. Having determined objectives, it is necessary to produce plans that reflect effective and measurable contributions of FAO to achieving these objectives within the resources available. This requires taking a more holistic view of all sources of funding, and fully considering both assessed and voluntary contributions in developing biennial plans in the PWB.

26. The programme and budget cycle was restructured in 2010, and meetings of Governing Bodies modified to fit in with the new decision making timetable. Impact Focus Areas were used to communicate priority areas for voluntary funding. In 2014-15, the Strategic Objectives themselves will be the Impact Focus Areas for mobilizing resources.

27. To translate the reviewed Strategic Framework into a meaningful and measurable set of results to be delivered at national, regional and global level, FAO is putting in place institutional measures to complete the transition from formulating results according to a static logframe approach to the more strategic approach of "managing for results" as a process of continuous improvement.

#### Delivery – how FAO uses its assets and resources to deliver its services

28. Improvements and benefits in delivery are as a result of better targeted use of the Organization's assets – its workforce, worldwide coverage, partnerships, knowledge, administration and finances.

29. In order to improve delivery through the excellence of staff services, employees need to work in an enabled environment with the necessary knowledge and experience to deliver better against FAO's mandate.

30. The change that has been enabled by the IPA is to an organization that is budgeted, managed and assessed on its tangible contribution to its Strategic Objectives, and this requires an enabled working environment that is closely aligned to the strategic objectives. The Culture Change team worked with staff from across the Organization to develop an Internal Vision that described the enabled environment in which staff wish to work, and the culture change programme for 2013 has been changed to better integrate the working environment with the results based framework and align culture change with the new methods of working that are required to deliver better against the Strategic Objectives.

31. There have been many achievements that improve the knowledge and experience of staff, including allocating increased resources for training, recruiting young professionals and introducing a system for staff performance appraisal that has been extended to all staff, linking their work to the strategic objectives of the Organization. However, improvements will be required in order to adapt to the changing environment in which FAO works - to adapt to the new system of matrix management, recognize inter-disciplinary teamwork as well as individual performance, and integrate staff performance information with administrative decisions to recognize and reward excellence in performance and follow-up on under-performance.

32. As a result of the above actions there is a better understanding by staff of their contribution to achieving the Organizational goals, and individual accountability for results has been enhanced by the Performance Evaluation and Management System (PEMS). The average age of recruitment, gender balance and geographic balance have all improved as a result of the recruitment of young professionals, and there has been a reduction in the hierarchy as a result of a delayering of Director positions.
33. Development of the competency framework that provides the basis for structured staff development and improved performance appraised has been delayed, and this is one of the HR IPA actions that did not complete in 2012. In addition, whilst the number of staff rotating has met the target of doubling the pre-IPA numbers, and the development of a draft staff rotation policy has been completed, its finalization awaits the new Director, OHR, and it is anticipated that this will complete in early 2013.
34. Overall in the area of human resources significant progress has been made, together with associated benefits, but progress has been slower than originally planned due to the extensive but necessary consultation with staff and staff associations which is in the nature of changes that impact on FAO staff. As a result, some benefits have yet to be achieved, including better experienced staff as a result of rotation between HQ and DOs, a reduction in the time for staff recruitment and improved recruitment and reassignment decisions based on the skills and competencies required of each position as reflected in competency based job profiles.
35. In terms of worldwide coverage, major changes to enhance the delivery capability of FAO Decentralized Offices have been introduced. The lead role of Regional Offices in supervising Decentralized Offices and programmes in the regions was consolidated, leading to improved regional prioritization and to decentralized offices being able to respond in a more effective and timely manner to regional priorities.
36. Major enhancements were made to the telecommunications and video-conferencing facilities and FAO now operates in a more integrated way across geographic locations with full participation of RR/ADGs in the Organization's corporate decision-making processes. This, together with the strengthened role of Regional Conferences, has led to an improved focus and a better balance and synergy between global, regional, sub-regional and country concerns.
37. The Manual Sections governing procurement for emergency situations and "Letters of Agreement" were modified to further empower field offices by increasing the Delegations of Authority, and a comprehensive training programme was introduced in DOs to develop capacity in field offices and ensure correct implementation of the new policies. As a result Country offices are able to implement projects in a more timely fashion, with less delay in the procurement of goods and services.
38. The decentralization of the management of the TCP produced its intended results with a reduction in approval time and better alignment of TCP projects with national priorities.
39. When the rollout of a single corporate administrative system (GRMS) to Country Offices is completed in mid 2013, these offices will have access to more accurate, timely and relevant operational and financial information that will lead to an improvement in FAO's capacity to deliver in the field.
40. In terms of partnerships, strategies and guiding principles have been developed for improved collaboration with the UN System, Non-governmental and Civil Society Organizations, the Private Sector, and the Rome based agencies. Collaboration between the three Rome-based UN Agencies has increased under the four-pillar framework and priority areas set out in the joint strategy for collaboration "Directions for Collaboration among the Rome-Based Agencies".
41. In the area of administrative collaboration the Rome-based UN Agencies have established a Common Procurement Team which, while achieving monetary savings by aggregating the purchasing power of the three Organizations, has increased partnership among the Rome based Agencies and provided an opportunity to share innovative ideas and strategies.

42. The IPA also called for FAO to launch new or renewed partnerships, and the IPA provided support to enhance FAO's capacity to work with non state actors at country level. Country strategies were developed that empowered Producer Organizations to become equitable, inclusive and efficient service providers in selected countries. Support was also made available to the Alliance Against Hunger and Malnutrition to provide medium-scale grants on a demand-driven basis to promising developing country National Alliances Against Hunger and Malnutrition and for the creation of Regional Alliances.

43. As a result FAO is in the process of more effectively achieving its intended outcomes through its partnerships with the Rome-based agencies, UN entities, Civil Society, and the Private sector, based on the comparative advantages of the partners and the specific goals of FAO shared by the partners. In addition there has been a reduced cost of administration as a result of improved collaboration between the Rome based agencies.

44. The single most important achievement in the administration area is the development of the Global Resource Management System (GRMS), bringing together five elements:

- i)* a technology platform through which FAO could become compliant with International Public Sector Accounting Standards (IPSAS);
- ii)* an upgrade to the corporate administrative system through which streamlined processes could be introduced (e.g. electronic approval workflows replacing paper-based processes);
- iii)* discontinuance of separate accounting systems in headquarters and Country offices;
- iv)* a new technology platform and computer system for FAO to improve its travel processes; and
- v)* an upgrade to FAO's Oracle system to the latest version that is fully supported by the Oracle Corporation.

45. As a result a single corporate administrative system providing consistent and accurate financial and operational information is now available. It will be accessible by the entire Organization by mid-2013, due to the supporting upgrade of FAO's telecommunications infrastructure.

46. However, some IPA recommendations were not implemented and the work remains to be completed. The FAO Manual is one of the primary mechanisms that makes administrative processes and regulation easy to understand for staff. Management had indicated to members<sup>12</sup> that, since many provisions of the Manual are of an inter-agency nature and address issues that are of a complex nature, any initiative aimed at "rewriting" and simplifying them should be envisaged with utmost prudence. However members, while recognizing the legal concerns expressed by the Secretariat, requested that the overhaul of the FAO Manual be implemented, and that other experiences, such as the Mexican Government experience on more effective public service management, should be taken into account when redeveloping the Manual.

47. In addition to the qualitative improvements, the streamlining of administrative processes has led to significant savings and the total IPA regular programme savings in the period 2009-2013 is USD 15.88 million. Areas generating major IPA savings include:

- i)* Procurement - savings of USD 4.6 million primarily as a result of lower headquarters costs for goods and contracts jointly procured with the other Rome based agencies;
- ii)* Registry - savings of USD 3.5 million primarily as a result of increased automation and associated elimination of posts;
- iii)* Travel - savings of USD 2.3 million primarily as a result of improvements to travel process and lower travel and hotel costs in an approach developed with the other Rome based agencies.

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<sup>12</sup> CL 145/10 para 18

48. In addition to the IPA regular programme savings, two other areas of efficiency gains were achieved that were not represented as savings.

- i) Delaying of the headquarters structure – This achieved substantial efficiency gains with a total of 40 “Director” level posts abolished at headquarters. The efficiency gains achieved as a result of this delaying are USD 37.9 million for the period 2009-2013. These are described as efficiency gains, rather than savings because, with the full agreement of the membership, these gains were reprogrammed into the technical work of the Organization;
- ii) Decentralization of the Technical Cooperation Programme. The efficiency gains arising from decentralization of the TCP were USD 0.9 million, arising as a result of the redistribution of headquarters posts among the regions and HQ. These are described as efficiency gains, rather than savings because these “savings” were re-programmed in the technical projects of the TCP;

49. The major financial benefits are therefore savings in the regular programme of USD 15.88 million and efficiency gains of USD 38.8 million associated with actions where the gains were reprogrammed.

#### Assessment – how FAO monitors its performance and reports this to management and members

50. Delivery has covered the mechanisms through which FAO ensures that its assets and resources are focused and targeted on delivering against Organizational outcomes. Recalling that the overarching objective of FAO reform is to transform the Organization into one that manages for results, Assessment is the process of monitoring and reporting on Organizational performance.

51. In terms of monitoring performance, introduction of the Performance Evaluation and Management system (PEMS) has linked staff performance to organizational objectives and periodic work plan monitoring is being undertaken by all managers to identify risks and improve programme delivery. The end of the 2010-11 biennium assessment, published in the Programme Implementation Report 2010-11, provided a comprehensive analysis of achievements and identified opportunities for improved organizational performance.

52. A major expansion of the FAO Integrated Management Information System improved the quality of, and access to, FAO operational data with numerous reports available on-line that were previously prepared using labour intensive and error-prone methods, and Field Office Budget Holder reports have been made available to decentralized offices, facilitating improved budget monitoring of regular programme and extra-budgetary activities.

53. In addition, the presentation of monitoring information has improved, and the Organization has increased its capacity to monitor results within the results-based framework. Staff has a greater understanding of their individual contribution to and accountability for results, and decision-making in the field has been facilitated.

54. However, an internal review of the Results Based Management system (RBM) undertaken in late 2011 found that, whilst benefits have been realized, a strengthening of the FAO results framework is required. The review indicated that many of the Organizational Results and their indicators in the medium-term plan were not measurable, and recommended raising the level of organizational units’ accountability from outputs to outcomes, thus supporting a change in the traditional silo culture of the Organization.

55. RBM is a learning process and the internal review was an opportunity for lessons to be learnt and improvements to be made. Efforts are underway to increase the measurability of the performance indicators to ensure more accurate reporting on achievement of results, and to strengthen the means-ends linkages by ensuring the financial feasibility of the expected results, in line with the recommendations made by the internal review. The introduction and adoption of changes of this magnitude will require considerable time, and the Medium Term Plan 2014-17 provides a renewed framework for these efforts.

56. Two important IPA actions that contribute to improved effectiveness of performance monitoring (IPSAS compliance and Enterprise Risk Management) did not complete at the end of 2012, and the major benefits in these areas remain to be delivered. IPSAS compliant financial information will better support financial monitoring, decision-making and planning, and improve financial control and management of the Organization's assets when it is made available. More effective monitoring of organizational performance based on the full integration of risk assessment practices awaits completion of this activity in 2013.

57. In terms of reporting performance, the evaluation function was established as an operationally independent office and its budget increased in line with targets, and the work of the Office of the Inspector General was extended to cover all major organizational risk areas based on an enhanced risk-based planning process.

58. As a result the credibility, coverage and independence of the Office of Evaluation and of the FAO Evaluation function are strengthened and reporting on Organizational performance is enhanced by comprehensive risk based audits by the Office of the Inspector General of key operational areas.

59. Improvements have also been made to the structure of the Programme Implementation Report (PIR) and the PIR 2010-11 was the first under the new results-based reporting system. The Council in December 2012 welcomed the PIR 2010-11 and called for the subsequent PIR to be more concise and focused and recommended some further improvements in future PIRs as part of the process of continuous improvement.

### Governance – how FAO members provide oversight and direction to the Organization

60. The benefits of Governance reforms is an area more for membership assessment than management reporting, and there is an IPA action (2.74) that indicates that Conference will assess the workings of the Governance reforms with an independent review as an input. However, as with the other areas of the Benefits Framework, management comments on the achievements made under governance reform, and makes it observations on the resulting benefits.

61. Achievements in establishing global direction include changes to the structure of the agendas of Conference, Technical Committees and Regional Conferences to ensure that these bodies systematically review the global situation to provide guidance on areas that require action by FAO. The functions and reporting lines of Regional Conferences were specified, with reporting to Council<sup>13</sup> on programme and budget matters and to Conference on policy and regulatory matters. This enhanced regional inputs to the PWB and ensured that Regional views were sought on all major policy issues. Similarly, the role and reporting lines of the Technical Committees was also enhanced to facilitate their inputs to FAO priorities at Council and global policy and regulatory matters at Conference.

62. As a result there is greater policy coherence with respect to the global food and agriculture situation because FAO Governing Bodies are more effectively focused on topics with direct impact on Global Governance in food and agriculture, and the policy agenda which FAO's Governing Bodies set for the organization is more effective at a global level. In addition, the Regional Conferences and Technical Committees are more effective at supporting FAO in achieving its intended outcomes.

63. In terms of increased trust and mutual respect, and improved transparency and accountability, both between members and between members and management, meetings of the Finance Committee (FC), Programme Committee (PC) and Committee on Constitutional and Legal Matters (CCLM) have been opened up to silent observers, and the proactive facilitation role of the Independent Chairperson of the Council has facilitated consultations among Members.

64. In terms of Governance oversight, achievements include clarification of the functions of the various governing bodies, retiming of governing body meetings to more effectively support work planning, development of Multi-Year Programmes of Work for the major governing bodies, and improvements to the reports of FC, PC, Council and Conference to ensure clarity on conclusions and decisions.

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<sup>13</sup> through the Programme and Finance Committees

65. As a result there has been an improved effectiveness and efficiency of FAO's Programme Cycle as a result of better timing of Governing Body meetings and FAO's governing bodies are more effective at supporting the organization in achieving its intended outcomes as a result of improved clarity regarding their scope and responsibilities, and better planning of their programmes.

### Summary of benefits

66. Although more than 300 individual IPA benefits have been identified<sup>14</sup>, there are a small number of key IPA actions and associated benefits that form the core of FAO reform. The impact of these is greater than the sum of their parts and, taken together they provide a sustainable foundation for reform. They reinforce each other and have a multiplier effect in terms of their impact.

- i)* the establishment of a results based framework that includes the development in a participative and collaborative manner of Strategic Objectives, based on real world needs, Regional priorities, and FAO's comparative advantages;
- ii)* the results based framework that requires that these Strategic Objectives are "translated" into tangible results for achievement by the Organization;
- iii)* the targeted use of FAO resources towards achievement of these results through the full commitment and engagement of its staff, taking full advantage of its worldwide coverage and in partnership with other players;
- iv)* the monitoring and assessment of the Organization's performance in delivering these results; and
- v)* the effective reporting of the extent to which these tangible results have been achieved.

67. Achievements and benefits have been reported in all of the above areas. However, major change is not easy, and management was aware that FAO was in a learning process that would require more than one biennium to fully complete. In particular, the change to the new results based framework that in all organizations takes more than one biennium to achieve, and changes impacting on staff that, due to their nature, need more time and more consultation to conclude.

68. However, many key elements of the new direction outlined in the MTP 2014-17 and PWB 2014-15 have been made possible as a result of the work completed under the IPA, which provided the foundation for transformational change to an Organization that is budgeted, managed and assessed on its tangible contribution to its strategic objectives.

69. The IEE commented that the fruits of a successful implementation would be that FAO would be truly fit for the 21<sup>st</sup> Century and would have set a new standard of excellence for multinational organizations. Management does not consider that FAO has set a new standard of excellence for multinational organizations - yet. Instead management's view is that the FAO Reform has made solid and concrete achievements and realized benefits that place FAO in a strong position to move ahead with the transformation change programme that, when completed, will represent excellence for multinational organizations.

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<sup>14</sup> Described at Web Annex VIII to the report