Members' Update

FAO renewal

**FAO introduces ‘enterprise risk management’**

The introduction of enterprise risk management at FAO is gathering pace with developments on several fronts.

This was affirmed by the finance committee recently, which agreed with the approach and welcomed progress made to date.

Enterprise risk management, or ERM, forms part of the Immediate Plan of Action for FAO renewal. It was begun in 2009 by the Office of the Inspector General, which commissioned a report by Deloitte assessing the strengths and weaknesses of the risk management system already in place. The rollout is now being managed by the office of strategy, planning and resources management (OSP).

“In basic terms the approach provides a standard method for managers to identify and address problems that are likely to arise and that might stand in the way of completing their work, and for bringing the benefits that Members and stakeholders expect us to deliver,” said Boyd Haight, director of OSP. “A major strand of renewal is results-based management, where we demonstrate our work in a measurable way. We cannot achieve these results without effective risk management.”

Recent activities include the launching of a series of risk-identification and management pilots, beginning with FAO’s strategic objective on gender, and the gender, equity and rural employment division. Managers from the division and the strategic objective team have been attending workshops where they identify risks and potential obstacles to achieving best results.

Tony Barrow, responsible for the ERM project, explained: “We create a risk log and ask managers to rate the risks according to their impact and the probability of that impact arising. They then decide a deadline to address these risks, and discuss the issues raised by the risk log with their office or department head.”
The aim is to roll out workshops this year to all departments and divisions, to the teams responsible for FAO strategic objectives and organizational results in headquarters, and then to project teams and decentralized offices. There will also be a rapid response service to help managers get to the bottom of problems they cannot resolve alone.

“Staff can spend more time on delivering projects and making them effective rather than on dealing with problems that emerge,” Barrow added.

**Conference committee finalizes renewal report**

Members of the Conference Committee for the Follow-up to the Independent External Evaluation, or COC-IEE, have adopted their report on FAO renewal following a meeting in Rome.

The report, to be presented to Conference in June/July, focuses on various projects contained in the Immediate Plan of Action for FAO renewal.

The original Conference Committee was set up in 2007 and tasked with developing the Immediate Plan of Action (IPA), with its remit updated in 2008 to complete outstanding work and to oversee the IPA’s first year of implementation. Its role over the past two years has been to ensure oversight and guidance on the renewal process, as agreed by Conference in 2009.

“One of the key areas members have focused on is decentralization, and in particular the vision for the structure and functioning of the decentralized offices,” said Ali Mekouar, committee secretary.

“Commendable” progress was made by FAO in this area, the Committee found, while also recommending follow-up work to address further challenges and risks. Members also noted good progress in a number of areas related to enhanced administrative and management systems, ranging from procurement initiatives and revision of the FAO manual to improving IT connections across FAO offices.

Improved human resources management and fostering of partnerships were also highlighted. Developments noted under effective governance and oversight included formation of multi-year programmes of work for the FAO Council along with the programme and finance committees. The report also sets out next steps in the renewal process, including required resources, risks and follow-up by the governing bodies.

The Committee is now set to draw to a close, with a final decision on this to be taken by Conference in June/July. Mekouar reflected on the importance of the body over the past four years: “The difference between the CoC-IEE and other bodies such as Conference and Council is that it has been entirely devoted to the IPA.

“It has therefore kept renewal on the agenda for members, all of whom were represented, through ongoing guidance and discussion.”

Comments? Suggestions? Write to Members-Update@fao.org.