

Chair's Aide Mémoire – Twelfth Meeting of CoC-IEE WG I

Monday 21 May 2008 - Vic Heard, Chair

- 1) **Strategic Objectives:** Management presented its preliminary proposals for strategic objectives (Annex 1). The Working Group, particularly appreciated the presence of many ADGs, to assist them in their discussion of this item and requested management to present a more elaborated proposal for its meeting on 13 June, taking into consideration Members' initial comments.
- 2) The Working Group repeated its basic agreement with the results based hierarchy and the concepts, although one Member questioned whether the achievement of the Strategic Objectives should be so much dependent on Members' own actions and whether they should not be closer to the Results level in the hierarchy. Members also recalled that there was not as yet full agreement on the wording of the Goals of Member Nations which formed the apex of the hierarchy. It was agreed that there should be both sector Strategic Objectives and Strategic Objectives for clearly cross-cutting areas.
- 3) The Working Group agreed that the Strategic Objectives should include an element of vision, but be clearly results based, expressed in terms of a benefit to people. The wording should be standardised and reflect a result to be achieved not an action (although a few members noted that they found this type of logical framework language, artificial and confusing).
- 4) A representative of the European Union presented an alternative grouping for Strategic Objectives and core functions, which is attached as Annex 2. Members agreed that it represented an interesting proposal and was more comprehensive of all FAO's work than the management proposal. It was agreed that as presented it was actually a list of areas of work and that there should probably be more than five strategic objectives, in relation to the three Goals of Member Nations. The addition of the achievement of benefits at a global or regional level through the policy coherence of governments and international instruments (global governance) was found to be a useful addition in the discussion of strategic objectives.
- 5) Members considered that some of the Strategic Objectives presented by management were near repetitions of the Goals of Member Nations. As they were presented, they tended to reflect what the Organization currently did by department (management emphasised that this had not at all been the intention and the Strategic Objectives would be valid under any organizational structure). A significant area of omission was that of livelihoods creation and in this respect, the value chain was very important, from, harvesting storage and marketing, to value added through processing, packaging, etc. Trade was important both from the point of view of livelihood creation and the access of countries to food imports at reasonable prices and incentives to production. The Right to Food needed to be clearly reflected. Also members suggested:
 - a) natural resources was a cross-cutting area and should clearly be seen in terms of its relation to the agricultural sector and benefits to people;
 - b) nutrition should be considered as part of food security, rather than regulation for food safety;
 - c) insufficient visibility was given to FAO's contribution to statistics, analysis, etc. used by Members for decision making; and
 - d) gender was a very important concern but there were diverse views as to whether this important area of emphasis was best treated as a separate Strategic Objective or should be captured in each of the Strategic Objectives;

- e) in what ever form internal performance improvement objectives were retained, they should include the element of improvement of the Organization's financial resource base.
- 6) Several Members noted that it would be difficult to make a judgement about the Strategic Objectives until they had a better feel for what Organizational Results would be captured under each of the Strategic Objectives proposed.
- 7) Priority Themes were not discussed but Members agreed that the title was confusing. There should be another term found which better reflected the underlying concept.

Annex 1 – Management Preliminary Proposals on the Formulation of Strategic Objectives

Formulation of Strategic Objectives

1. This paper was prepared by management in order to respond to the request from Working Group I to see a set of strategic objectives (SOs) for further discussion among Members. It starts with a possible approach to the formulation of Strategic Objectives which is a key dimension to the expected elements of a Strategic Framework and Medium Term Plan, and then proposes a limited number of SOs. Areas where guidance from Members of WG I is considered essential in relation to future analytical work has been highlighted in *italics*.

2. The present paper reflects several rounds of internal discussion organized by management, including in the Senior Management meetings. It takes into consideration the present Strategic Objectives, views expressed by the Working Group on the Chair’s “options paper”, and the contents of strategy notes prepared on a number of areas of interest to Members.

I. Desirable features of SOs and their presentation

3. Conceptually, Strategic Objectives should adhere to the following guiding principles:

- reflect most important priorities identified by Members in the longer-term (10-15 years);
- contribute to the achievement of one or more Global Goals;
- while expected to be achieved primarily by Members and the international community, they should point to significant added value of FAO’s involvement and assistance;
- provide overall direction to substantive work and indicate main areas of impact;
- facilitate responsibility and accountability for results at lower levels;
- be limited in number, understandable to Members and other key stakeholders, i.e. avoiding “jargon” and being too technical in nature.

4. In presenting Strategic Objectives in the revised Strategic Framework, it may be noted that the following formulation components would be included:

- issues and challenges addressed (i.e. problem statement);
- benefit/change to be achieved in Members/international community;
- assumptions and risks;
- indicators and targets.

Members may wish to confirm the pertinence of the above background considerations to be provided in relation to the eventually endorsed Strategic Objectives¹.

II. How FAO will support the achievement of Strategic Objectives

5. FAO’s support to Members for successful achievement of approved Strategic Objectives would depend on the appropriate mix of the Organization’s **core functions**, as outlined below. These build on FAO’s mandate and reflect its main comparative advantages, guiding the Organization’s work and means of action at global, regional and national/country level. These core functions, critical to the success of FAO, are carried out at all levels of the Organization and permeate all Strategic Objectives.

¹ An illustration of the application of these background considerations can be provided at the Working Group 1 meeting of 21 May for one of the possible Strategic Objectives.

In recognition of the importance and cross-cutting nature of the core functions, organizational systems and procedures will need to be aligned to facilitate action, promote focus and reward achievements. These supportive measures would include, *inter alia*, staff incentives and funding of a catalytic nature.

- a. Bringing integrated **interdisciplinary approaches** to bear on the organization's technical work and support services;
- b. Engaging in **partnerships and alliances** where joint action is needed;
- c. **Monitoring** and assessing trends in food security and agriculture at large and drawing international attention to emerging risk factors as **early warning**;
- d. Stimulating the **generation, dissemination and application of information and knowledge**, including **statistics**;
- e. **Negotiating international instruments, setting norms, standards and voluntary guidelines, and supporting the development of national legal instruments**, together with promoting their implementation;
- f. Articulating **policy options and advice**;
- g. Providing **technical support**, catalysing change and building **sustainable and strengthened institutional capacity**;
- h. Undertaking **advocacy and communication**, to mobilize political will and promote global recognition of required actions in areas of FAO's mandate.

III. Possible Strategic Objectives

6. Based on the discussions and deliberations of Working Group I, and building on the conceptual framework outlined above, a possible set of strategic objectives is presented in tabular form below. They relate to varying degrees to one or usually more of the three Global Goals of Members². *These possible Strategic Objectives are offered for consideration by Members.*

² The three Global Goals as stated in the Strategic Framework 2000-2015 are: a) Access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of chronically undernourished people is reduced by half by no later than 2015; b) The continued contribution of sustainable agriculture and rural development, including fisheries and forestry, to economic and social progress and the well-being of all; and c) The conservation, improvement and sustainable utilization of natural resources, including land, water, forest, fisheries and genetic resources for food and agriculture.

Possible Strategic Objectives
A. Supporting national, regional and international efforts towards lasting food security .
B. Addressing the underlying social and economic determinants of poverty and hunger, and protecting and enhancing livelihoods in rural areas.
C. Conservation, improvement and sustainable use of natural resources for food and agriculture.
D. Promotion of gender equity in access to resources, goods, services and decision-making in the rural areas, while applying gender-sensitive approaches to policies, programmes and projects .
E. Improved preparedness for, and effective and sustainable response to, food and agricultural emergencies .
F. Intensification of crop production , with special emphasis on ecosystem services, sustainability and livelihoods of resource-poor farmers.
G. Contribution of livestock to food security and public health, ensuring broad-based economic development, while safeguarding environmental sustainability and biodiversity.
H. Responsible and sustainable use of fisheries and aquaculture resources , contributing to human well-being, food security and poverty alleviation.
I. Sustainable management of forests and trees , ensuring substantial contributions to food security, livelihoods and poverty alleviation, mitigation of and adaptation to climate change, conservation of biodiversity, and reliable water resources.
J. Improved quality and safety of foods , and better nutrition
K. Promotion of improved public and private investment in agriculture and rural development .

7. To provide comprehensive coverage of the resources at the Organization's disposal and build a hierarchy for distinguishing between FAO's services to Members and internal governance and administration, an additional SO could be formulated to cover a broad range of activities intrinsic to the successful implementation of the preceding SOs, as follows.

L. Enabling achievement of results and effective impact at all levels through flexible, efficient and effective internal governance arrangements, oversight, management and administration .

IV. Additional considerations pertinent to the formulation of Strategic Objectives

8. The set of proposed Strategic Objectives can broadly be perceived to fall into three categories. These categories are: i.) objectives to achieve **cross-cutting** benefits (A-E) while also necessarily relying on well-established disciplines, e.g. water and land management (F-I), ii.) objectives to achieve primarily **sectoral** benefits, and iii.) objectives intended to facilitate, or **enable**, achievement of the other objectives (e.g. J,K). Members may recall that the WG I Chair's Options Paper on Strategic Objectives³ also outlined a broad classification of Strategic Objectives, along similar, though not identical, lines. In developing the possible Strategic Objectives, there was considerable internal discussion of the merits of a more explicit classification scheme. However, in the interest of simplicity and in recognition of the mutual dependence and absolute importance of each of the Objectives, it was felt appropriate not to use a fixed classification.

9. Another important consideration in the development of the Strategic Objectives was to maintain differentiation between the Objectives themselves (i.e. in terms of expected benefits to Members) and critical means of action, embodying FAO's comparative advantages, to be employed in generating these benefits. It is recalled that one of the criticisms of the IEE with respect to the current Strategic Framework of FAO was that it "...confuses FAO's objectives with means of action"⁴. Hence, the present proposed formulation attempts to differentiate to the maximum extent possible between desired achievements by Members with a degree of support from FAO (Strategic Objectives) and the **core functions** (i.e. means of action of the Organization) which have also been duly highlighted in section II above as they are of keen interest to Members.

10. There was also considerable discussion of whether the last proposed Strategic Objective ("L"), should be identified as such, as it is the only one that is to be achieved primarily by the Organization itself. However, the paper does include this SO for two reasons: i.) first, in view of the importance and emphasis accorded by the IEE and Members to reform of administrative systems and culture change, it was considered desirable to treat this area within, rather than outside of, the main results hierarchy in order to promote transparency and accountability; and ii.) there has been a strong interest on the part of some Members for clear identification of administrative work and attached resources.

Members may wish to provide views on the pertinence of the above considerations which have governed the formulation of the proposed Strategic Objectives in this document.

V. Possible outline of the Strategic Framework and Medium Term Plan

*More generally, Members may also wish to provide their views on a possible outline of the elements of a Strategic Framework and Medium Term Plan, which is presented in **Annex I**.*

³ "Considerations for the Development of Strategic Objectives and their Relationship in the Results-Based Means-Ends Hierarchy (Log-Frame)" 15-4-08.

⁴ IEE Final Report (C 2007/7A.1) para. 1098.

Possible content of the elements of the Strategic Framework and Medium-Term Plan⁵

I. Context, situation and gap analysis

A summary of the macro-environmental factors affecting the development landscape, and an analysis to identify areas that need to be addressed by all development actors in order to effectively achieve food security and rural development.

II. Mission, Vision and Values statements

Mission: where the organization is going now, basically describing the purpose and why the organization exists (from Basic Texts), its core functions, and its comparative advantages in addressing the gaps, given the situation analysis and alternative sources of supply. In view of the IEE, the discussion of comparative advantage should make specific reference to a few areas where FAO does not have a comparative advantage and a need within FAO's mandate may be fulfilled by others, in order to demonstrate to Members that some shift in focus is occurring.

Vision: where the organization wants to be in the future. It reflects the optimistic view of the organization's future, and its purpose in terms of the organization's values (guiding beliefs about how things should be done).

Values: Main values sought or protected by the organization, reflecting the organization's culture and priorities; define how people want to behave with each other in the organization; describe actions which are the living enactment of the fundamental values held by most individuals within the organization. The values of senior leaders are especially important in the development of a culture. Rewards and recognition within the organization need to be structured to recognize those people whose work embodies the values the organization wishes to embrace. See Values in current Strategic Framework (para 21, Box 2).

III. Global Goals of Member Nations

As currently agreed:

- a) Access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of chronically undernourished people is reduced by half by no later than 2015;
- b) The continued contribution of sustainable agriculture and rural development, including fisheries and forestry, to economic and social progress and the well-being of all; and
- c) The conservation, improvement and sustainable utilization of natural resources, including land, water, forest, fisheries and genetic resources for food and agriculture.

IV. Proposed Strategic Objectives

Strategic Objectives are the benefits or changes expected to be achieved in a given time frame (e.g. 10-15 years) in Member country institutions, the international community or development partners. In terms of the log-frame, these benefits represent several steps in the causal chain beyond the immediate result of the uptake of FAO's products and services by its *primary users*, building on the related Organizational Results (see below). Hence Strategic Objectives will not be achieved by FAO itself, but rather by Members based on the value added that FAO provides, and in view of identified dependencies and assumptions on developments elsewhere.

⁵ The conceptual approach summarized here will need to be amplified in the actual text.

V. Results Framework and possible Priority Themes

Specification of **Organizational Results** to be achieved in a four-year period. These represent the products and services which FAO commits to deliver to Member Countries and the international community in a time-frame of four years and the outcomes which result from the taking up and use of these products and services by users, in order to contribute to the achievement of Strategic Objectives. In order to be able to measure and report on the achievement of organizational results, indicators, means of verification, baselines and targets are formulated related to a given timeframe.

Identification of **Priority Themes**, which may bring together groups of results to impact in a shorter time-frame in high priority areas for the immediate future, leaving flexibility for decision making and prioritization to reflect emerging challenges, contributing to the achievement of Strategic Objectives. These themes, which are often, but not exclusively cross-cutting, highlight the benefit FAO intends to help Members achieve in selected priority areas building on Organizational Results related to the selected area. The Themes help to catalyze the mobilization of extra-budgetary resources to complement the Regular Programme resources, by providing a communication and advocacy tool ('flagships') for high profile work. Importantly, this is also intended to facilitate less rigidly tied and pooled funding of extra-budgetary resources, as well as facilitating Governing Body oversight of the use of those resources in line with agreed priorities.

VI. Programme Model and Resource Mobilization Strategy

Elaboration of FAO Programme Model: principles and concepts, planning documents, internal programming cycle, governance inputs (i.e. elaboration of paper presented to the joint meeting of WG I and WG III of 5 May).

Annex 2 - EU Proposal for Strategic Objectives

STRATEGIC OBJECTIVES	CORE FUNCTIONS
<ul style="list-style-type: none"> - Increase agricultural production in quantity and quality (crops & livestock): <ul style="list-style-type: none"> • water management • land management and tenure (including rangelands) • production technology • inputs (seeds, fertilisers...) • (plant / animal) genetic resources - Natural resources management <ul style="list-style-type: none"> • forestry • fisheries and aquaculture • bio-energies - Economic and social aspects of food and agriculture <ul style="list-style-type: none"> • gender • trade & markets • post-harvest losses • processing / agro-industry - Animal diseases, plant pests, food safety - Legal aspects / global governance 	<ul style="list-style-type: none"> - Vision and long-term prospective - Knowledge management (including capacity building, training, policy support) - Norms & standards - Advocacy & communication (including fundraising, partnerships) - Emergencies and rehabilitation - International agreements / treaties follow-up