

**Chairs' Aide Mémoire of Joint Meeting of CoC-IEE WG I & WG III  
Tuesday 1 April 2008**

Vic Heard, Chair WG I, and Ramalingam Parasuram, Chair WG III

1) **Headquarters Organizational Structure** (IEE recommendations 6.6 - 6.18) – see Annex I for IEE suggestion and II for current structure: Some members fully supported the IEE proposals while others considered that further reflection was needed pending detailed suggestions from management (emphasising that organizational structure was basically a function of management with Governing Bodies determining the underlying principles). All Members agreed with the principles proposed for a strengthened FAO organizational structure in the IEE, including:

- a) Ensuring a manageable span of control in the number of reports to individual managers at all levels including that of the Director-General;
- b) Organizational measures to reduce FAO's tendency to work in silos, including:
  - i) consolidation of units at all levels to reduce fragmentation and costs of senior posts, and
  - ii) provision of budgets held at senior management level for facilitation of cross-unit and cross-departmental work;
- c) Better integration of headquarters and the decentralized offices, including the representation of decentralized offices in the senior management decision making processes;
- d) Greater flexibility in the structure of units, depending upon functions and size;
- e) Delayering – reduction of senior posts, including at the D1 and D2 levels with the introduction of dual grading of posts;
- f) Clearer accountabilities with the necessary delegations of authority within clear policies, promoting management by results (and reducing duplication of functions, including with the Cabinet). Management also clarified that the principle of delegation of authority could still be preserved, even if not all Departments had a divisional structure; and
- g) Achievement of cost-savings.

2) Members noted Management's broad agreement with the principles put forward by the IEE. In addition Management indicated that some measures for progressive delayering were already in effect through elimination of some D1 level positions. Members also noted that in previous discussion in the Working Groups the IEE concept of a consolidated Office of Strategy, Resources and Planning to integrate strategy development, programme planning and resource mobilization for the Organization as a whole, had been well received, while Members had had reservations on the establishment of a separate Livestock Department (it was agreed that livestock deserved greater priority and focus but it was considered that separating it from crops in another department would increase, rather than reduce technical silos).

With respect to the specific proposals of the IEE:

- a) Two additional Deputy Directors-General to ensure integration of work of technical departments and of decentralized offices and field work: Several groups of Members supported this IEE proposal, noting that the cost implications were limited as it was offset by the decrease in the numbers of ADGs; would free up the Director-General to concentrate on policy and strategy issues and communicating the policy messages of

the Organization. It would, in their view also ensure the better integration of the Organization's work and the fuller representation of the decentralized offices in decision making. Other members were concerned that this would be an additional layer and that there was some additional cost. In their view, it could result in two new major silos separating the centralised technical departments and decentralised offices (although it was also noted that this was not necessarily the case if horizontal communication lines were reinforced with the technical departments). Members considered that if there were to be two additional Deputy-Directors General, as well as the over-riding criteria of competence, geographical balance should be reflected in the appointment criteria;

- b) There was general agreement with the Deputy Director-General becoming clearly designated as Chief Operating Officer, overseeing and coordinating the Organization's day-to-day work, with some noting that with this responsibility, the appointment should clearly be on the basis of competence, rather than political criteria;
- c) Dual grading of D2 and D1 and D1 and P5 posts was generally accepted and was agreed by management to be practicable;
- d) Although some members spoke in favour of a separate livestock department, the meeting reconfirmed the previous discussion that such a new department would not be desirable; and
- e) One member considered that the two consolidated offices proposed by the IEE (i. for strategy, resources and planning and ii. for corporate communications and interagency and intergovernmental relations) should be established but headed at D2 rather than ADG level).

3) This item will be further considered at the Joint Meeting of Working Groups I and III scheduled for 5 May. On this occasion management was requested to provide:

- a) information on the benefits of the last round of Organizational reform, initiated in 2006-07 biennium;
- b) managements proposals for further reform, taking full account of the IEE principles for reform as agreed above and the IEE's suggestions on changes; and
- c) indicative savings and costs, including, but separately, transition costs dependent upon the speed at which change is undertaken.

4) **Partnerships strategy** (IEE Recommendation 5.1): There was widespread support for the IEE recommendations in this area. Members were supportive of the approach presented by management and looked forward to receiving the outline of the strategy that management will provide in June. In addition, members:

- a) reiterated the importance of increasing the collaboration amongst the Rome based agencies. While appreciating the progress in certain areas, such as Investment Centre-IFAD collaboration and collaboration with IFAD on rural finance and agri-business development, Members regretted the lack of overall progress between all three organizations, including in shared administrative services. It was also recognised that members needed to be active on this issue in the Governing Bodies of the three organizations;
- b) stressed the importance of effective partnerships at regional and country level (an area found to be weak by the IEE) and noted that the IEE emphasised collaboration with the UN family and in particular IFAD and also regional organizations such as IICA at

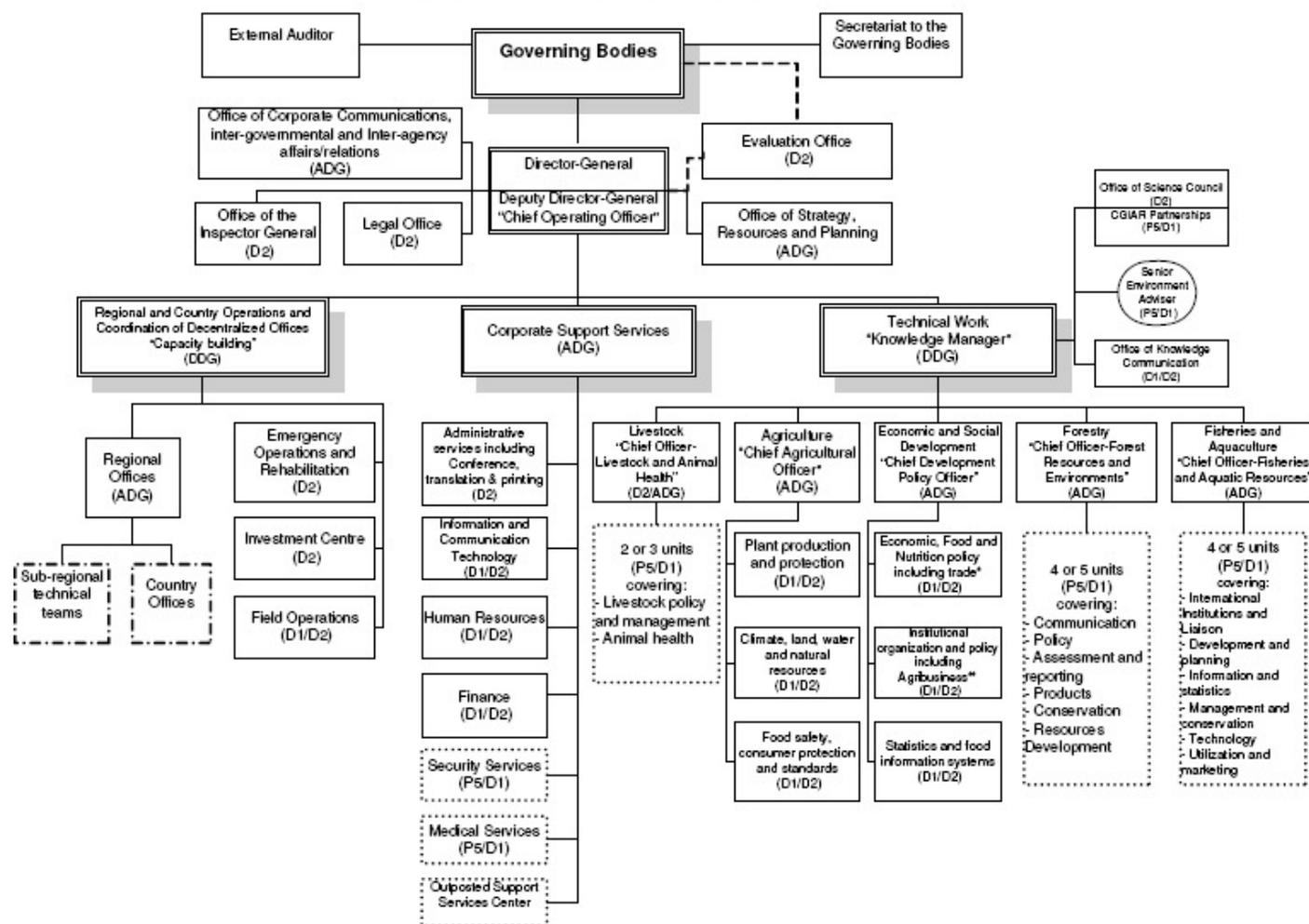
country level. However, the approach presented by management did not include explanation of how FAO plans to partner at country level; and

- c) welcomed partnerships with the private sector, while some members stressed that these should be selected carefully, safeguarding FAO's reputation for impartiality.

5) Management will provide a briefing on FAO and the One UN Pilots at Joint meeting of the Programme and Finance Committees in May. The possibility of forming a "Friends of One UN" group was also discussed.

## Annex 1 – IEE Suggested Organizational Structure

Figure 6.5: Possible FAO structure



**Notes:**

\*: Economic, food, nutrition, trade policy including TCA HQ.

\*\* : Gender, extension, training, employment, research institution and policy, tenure, agribusiness (including marketing) and rural finance.

.... : Dotted boxes represent units.

\_\_\_ : Boxes with hard lines represent divisions or offices.



## **Annex 3 Partnerships – Management Presentation**

FAO Management supports implementation of IEE Recommendation 5.1 by:

- a) developing a corporate-wide partnership strategy;
- b) building a stronger culture of partnership; and
- c) fostering a more strategic and less fragmented approach to partnerships

### New Strategy (Preparatory work is already underway)

- The organization-wide strategy will offer general guidance and support for partnerships at all levels
- A concern to address is the IEE's finding that FAO's partnerships at country-level are particularly weak

### Main elements

- defining guiding principles, goals and scope
- taking stock of lessons learned, successes and constraints
- draft action plan for implementation

### Goals of the Strategy

- To strengthen FAO's capacity to achieve desired results and heighten impact in the area of its mandate
- To enable more horizontal, multidisciplinary and integrated approaches to complex and multidimensional development challenges

### Guiding Principles

- Fulfilment of FAO's mandate depends on its ability to partner
- Partnership is not an end in itself; rather a means for greater effectiveness
- FAO's approach to partnership is results-based
- FAO focuses on its comparative advantage
- FAO is proactive in learning from its experiences in partnerships

### Reasons for Partnering

- FAO partners with others to strengthen its global governance role
- Partnerships enhance technical quality of FAO performance and add value to FAO work
- Partnerships increase horizontal collaboration (e.g. programming activities, funding, advocacy)
- Partnerships enhance capacity to reach out to final users of FAO services

### Why Partner with FAO?

- FAO a neutral forum
- knowledge sharing role and technical expertise

### How to ensure implementation

- Culture change
- Incentives
- Changing policy and practice
- Analyse resource implications
- Assign responsibilities
- Reporting on progress etc.

### Way Forward

- By end June 2008 complete preparatory work to develop a new strategy
- Need for in-house consultations and contributions, building on the 2005 Evaluation of Partnerships and Alliances
- UNC will rely on support and contributions from all sectors of FAO