

Review of decentralized offices staffing, location and coverage

Introduction

1. At the joint session of the CoC-IEE Working Groups I, II and III on 17 April 2009, Members discussed the document “Review of decentralized offices staffing, location and coverage”. In examining that document, Members requested clarifications that Management is pleased to provide in the current paper. This paper is divided into two sections: the first section, entitled “Review of FAO Country Coverage”, deals with the issues concerning structural deficit in the network of FAO Representations (FAORs), and the second section, entitled “Functioning as One” deals with: (i) the current situation of the Decentralized Offices (DOs) at country, subregional and regional levels; (ii) the external environment facing the DOs; (iii) staffing of country, subregional and regional offices; (iv) competencies and training; and (v) the key challenges to decentralization.
2. When the review of country coverage was discussed by the Working Groups on 17 April 2009, different views were expressed on the use of the IPA criteria. *“Some Members considered that the IPA criteria were not appropriate to provide the basis for changes in country coverage. Some other members considered that the IPA criteria, if applied flexibly, could offer Management a useful starting point to develop proposals for an effective country coverage”* (Chair’s Aide-Mémoire, paragraph 9). At the same time, *“Management was requested to explore different ways to address the structural deficit for the network of FAO Representations, including further elaboration of the IPA criteria for country offices in a flexible manner”* (Chair’s Aide-Mémoire, paragraph 11).
3. The first section of this paper, “Review of FAO Country Coverage”, reports on measures being taken by Management to sustainably address the structural deficit without any net transfers of current resources from headquarters. In addition, it reports on further work on the criteria that was requested by Members.
4. At the meeting of 17 April 2009, Management also reported on implementation of the IPA Action Matrix related to decentralization. At the meeting, as well as at the informal meeting on decentralization with Permanent Representatives on 7 April 2009, more information was requested about how the IPA linked with ongoing changes, particularly those resulting from the 2004 Independent Evaluation of FAO’s Decentralization and with other ongoing initiatives. Such information would help contextualize the actions taking place and ensure that FAO’s decentralization is coordinated with changes taking place elsewhere in the UN system. Information was also requested on an assessment of factors for a successful decentralization such as the strengths and weaknesses of DOs, their capacity to shoulder additional responsibilities, and the requirements for the successful adoption of results-based management, improved knowledge networking and better alignment with national, subregional and regional development agendas.
5. The second section, “Functioning as One”, provides an overview of the current architecture of FAO’s decentralized offices network, staffing, competencies and training, and of the major challenges, some of which relate to how these offices are supported and funded.

Section 1: Review of FAO Country Coverage

A. Possible Immediate Measures to Address the Structural Deficit

6. As mentioned in the document presented to the CoC-IEE Working Groups on 17 April 2009, the difference between the amount budgeted for the network of FAO Representations and the cost of keeping all posts encumbered throughout the year is estimated at USD2.7 million per year. This section reports on a series of measures that the Management intends to implement to address this structural deficit of the network of FAORs.

7. **Government Counterpart Cash Contribution:** Many host countries have agreements with FAO to cover some or all of the costs associated with the Representation. In a number of cases these include not only free provision of premises, national staff, etc. but also a cash contribution for general costs. These agreed government counterpart cash contributions (GCCC), if fully paid, would have covered almost four percent of overall expenses for the network of FAORs over the last five years. However, not all countries pay the amounts agreed on time. For example, in 2008, of the amount of USD757 000 agreed, only two-thirds (USD503 000) was received. In terms of the accumulated total level of outstanding GCCC contributions, as of April 2009, total arrears amount to over USD6 million of which USD5.3 million are arrears overdue for more than one year. Annex 1 provides information on the countries and the amounts overdue. A special effort is being launched by Management to recover GCCC arrears. However, the success of this effort will depend on the responses of the member countries concerned, and it is not possible to provide a reliable estimate of the amount likely to be recovered in the short term

8. **The Lapse Factor:** In calculating the budgetary requirements for staff positions, a 'lapse factor' is applied. This is a deduction made in the assessed budget under the justification that some posts will be vacant for some time due to staff movements and turnover. Variations on the methodology are common in the UN system, partly as an inheritance from budgeting which was done largely on the basis of inputs, rather than programme delivery considerations or results base. The IEE found that the lapse factor is calculated on a false premise that the programme of work which can be fulfilled is not reduced if a post is vacant. In practice, a manager will need to utilize consultants or temporary staff to carry out the work which would otherwise have been undertaken by a staff member. The discount is calculated at the level of each programme and is thus passed on to all units regardless of whether they have posts vacant or not. In practice, the lapse factor results in a 2.5 percent discount to the membership on professional staff costs and 1.7 percent discount for General Service (GS) staff.

9. This is a particular problem for the network of FAORs, where work must be undertaken on a continuous basis and it is not feasible to "absorb" the lapse factor in each of the offices. The IEE and IPA have defined the "structural deficit" on the basis of keeping all positions in the network of FAORs filled at all times, which is estimated at USD 2.7 million per year. The IEE recommended that the lapse factor be eliminated¹, and this has been supported by Management². Removing the lapse factor from the budget of the network of FAORs would reduce the structural deficit by about USD0.9 million to a level of USD1.8 million.

¹ C 2007/2 A.1, recommendation 7.3, paragraph 1207.

² C 2007/3 PWB 2008-09, paragraph 248.

10. **Other Measures:** Other measures that Management intends to implement to address the deficit in the network of FAORs include:

- i. Appointment of Emergency Coordinators (ECs) as Officers-in-Charge of FAO Representation (OIC-FAOR) in countries where emergency operations are a large part of the FAO’s work programme and the EC is a senior and experienced officer. This would be in line with the integrated budget approach being adopted by the Organization.
- ii. Outposting of Technical Officers from Regional Offices (ROs) as FAO Representatives (FAOREps) or placing of current FAOREps against vacant posts of technical officers in ROs.
- iii. Downgrading of some posts in DOs, wherever possible.

11. The measures mentioned in paragraph 10 i) to iii) above would result in cost savings that would fully cover the structural deficit of USD1.8 million (after removal of the lapse factor). Further savings may be possible if Chief Technical Advisers (CTAs) of large regional or subregional projects could also be appointed OIC-FAOR, following the model for the ECs in paragraph 10 i) above.

B. Changes in the Use of Criteria

12. During the discussion on the criteria, suggestions were made to change the application of some criteria. In particular it was suggested by some countries that two of the five criteria should be reviewed:

- In the case of criterion a) ratio of the FAO programme to office cost, “*some members considered that emergency projects would continue to be handled through units at Headquarters and did not need to be included in the analysis*” (Chair’s Aide-Mémoire, paragraph 10). The analysis should therefore only consider development projects and programmes.
- In the case of criterion e) potential for agriculture in economic development, some countries felt that the analysis carried out so far, which looked at agriculture’s contribution to GDP and past growth rates, was too static and backward-looking. The revised analysis should therefore look at factors such as unused land and the potential for increasing yields.

13. **Redefinition of Criterion a):** Including only the development part of FAO field operations, there are only 18 countries that meet criterion (a) – as opposed to 42 countries meeting this criterion if all FAO field operations (development and emergency) are taken into account. A summary comparison is provided in Table 1 below:

Table 1: Number of countries meeting criterion (a) with different definitions of the field programme

	Number of countries by type of coverage			
	FAOR	OTO	Other	All
Total Countries	73	9	63	145
3:1 ratio (development and emergency)	36	2	4	42
3:1 ratio (development only)	15	2	1	18

Progressively applying the other four criteria, only four countries meet all five criteria – as opposed to five if the field programme is defined as both development and emergency. The number of countries that progressively meet the five criteria in the two different definitions of field programme are shown in Annex 2 (Tables 1 and 2).

14. **Redefinition of Criterion e):** Defining the potential for agricultural growth remains complex as it depends on policies, investment and natural resources endowments. Following discussions with the Statistics Division (ESS) two indicators were collected and analysed. These two indicators were: the amount of unutilized arable land, which would indicate the potential for expanding area under cultivation; and shortfall in yield for major cereal crops, which would indicate the potential for increasing yields. The 145 countries covered were classified into three groups on the basis of potential for increased area and yield. Some 48 countries were found to have both a high potential for increasing area and raising yield. This compares to 31 countries that, in the previous analysis, were classified as having high potential as they had both a high proportion of agriculture in total GDP and had been growing strongly in the past few years. A summary comparison of both calculations is provided in Table 2 below:

Table 2: Number of countries meeting criterion (e) with different definitions of agricultural potential

Criterion	Number of countries by type of coverage			
	FAOR	OTO	Other	All
Total Countries	73	9	63	145
Potential for Agriculture (contribution to GDP and past economic performance)	24	1	6	31
Potential for Agriculture (potential for area and yields growth)	40	3	5	48

Based on the revised criteria (a) and (e), there are five countries meeting all five criteria analysed so far. The number of countries that progressively meet the five criteria in the two different definitions of field programme are shown in Annex 2 (Table 3). It should be pointed out that whichever definition is used, the final number of countries that meet all five criteria are five in both cases. However, the actual countries are different.

C. Overall Conclusions

15. As indicated above, the Management could address the structural deficit through a series of measures, including the lapse factor, that are within the authority of the Director-General. At the same time Members may wish to continue discussions in their respective regional groups on ways to optimize country coverage taking into account the specificities of different regions and subregions.

Section 1, Annex 1**GCCC Arrears of Over One Year and Amounts Due**

Member Country	Amount in arrears of over one year USD '000
Chile	5.0
Honduras	259.1
Venezuela (Bolivarian Republic of)	20.8
Peru	6.0
Nepal	0.6
Côte d'Ivoire	150.6
Guinea	609.9
Haïti	33.9
Benin	33.4
Mali	102.3
Niger	368.3
Togo	21.3
Barbados	50.3
Nigeria	8.4
Pakistan	4.9
China	6.9
Ghana	720.0
Indonesia	5.3
Iraq	1.5
Kenya	8.6
Malawi	405.0
Mozambique	26.8
Namibia	665.0
Gambia	18.1
Philippines	822.7
Sudan	0.2
Uganda	0.2
Yemen	271.8
Zambia	0.3
Somalia	190.0
Syrian Arab Republic	35.2
Myanmar	174.4
Sri Lanka	5.1
Ethiopia	298.5
TOTAL	5330.3

Section1, Annex 2**Table 1. Number of countries meeting the five criteria applied
(criterion (a) to include Development and Emergency)**

Criterion	Number of countries by type of coverage			
	FAOR	OTO	Other	All
	73	9	63	145
(a) 3:1 ratio (development and emergency)	36	2	4	42
(b) NMPTF	30	1	2	33
(c) Size and poverty level	13		1	14
(d) LDC	10			10
(e) Potential for agriculture (past growth and contribution to GDP)	5			5

**Table 2. Number of countries meeting the five criteria applied
(criterion (a) to include only Development Projects and Programmes)**

Criterion	Number of countries by type of coverage			
	FAOR	OTO	Other	All
	73	9	63	145
(a) 3:1 ratio (development only)	15	2	1	18
(b) NMPTF	14	1	0	15
(c) Size and poverty level	10	0	0	10
(d) LDC	8	0	0	8
(e) Potential for agriculture (past growth and contribution to GDP)	4			4

**Table 3. Number of countries meeting the five criteria applied
(criterion (e) based on unutilized arable land and yield gaps)**

Criterion	Number of countries by type of coverage			
	FAOR	OTO	Other	All
	73	9	63	145
(a) 3:1 ratio (development only)	15	2	1	18
(b) NMPTF	14	1	0	15
(c) Size and poverty level	10	0	0	10
(d) LDC	8	0	0	8
(e) Potential for agriculture (unutilized arable land and yield gap)	5			5

Section 2: Functioning as One

A. The Current Structure of Decentralized Offices

16. The current architecture of FAO's DOs was shaped by the FAO Reform which was approved by the Conference in 2005 and by the Council Sessions of November 2006 and of June and November 2007. The reform responded to the 2004 Independent Evaluation of FAO's Decentralization which considered that the field structure, while essential for FAO, needed to evolve in accordance with national and regional needs and priorities. As a part of the 2005 Reform, the roles, responsibilities and work of the DOs have been progressively clarified and many steps were initiated to focus the roles of ROs and Subregional Offices (SROs), delegating authority to DOs and giving them more ready access to programme resources.

17. Currently, all DOs are tasked with representing the Organization, advocating its policy positions and communicating its messages; supporting food security, agriculture and rural development efforts; strategy development, programming and aid coordination at the appropriate level; supporting exchange of knowledge and information; managing field programme implementation/project operations; and assuring security of staff. More specifically:

- **FAO Representations**: lead FAO's response to country priorities in the context of FAO's corporate results framework; and assist their country/countries of accreditation with developing national capacity, mobilizing resources, developing partnerships and exchanging knowledge and information in favour of food, agriculture and rural development. They also support their country/countries of accreditation with obtaining, in a timely manner, assistance from FAO and other partners in accordance with agreed priorities. They are budget holders of national development projects and some national emergency projects (TCE is often the budget holder of national emergency projects). Their first port of call for technical backstopping is the Subregional Office/Multidisciplinary Team (SRO/MDT). If the expertise requested is not available in the SRO/MDT, technical support is provided from the RO or from headquarters.
- **SROs/MDTS³**: lead FAO's response to subregional priorities and support subregional organizations. They are the first port of call for the provision of technical assistance to countries in the subregion (through FAORs). Requests for which they do not have the required expertise are referred to the RO or headquarters. Subregional Offices/MDTs are budget holders for subregional development projects (TCE for subregional emergency projects); facilitate teamwork between subregional technical officers and FAOREps; and provide technical and policy support to subregional integration organizations. Subregional Offices are considerably assisted by the fact that FAOREps of the subregion serve for part of their time as technical officers of the SRO/MDT, thus expanding substantially the pool of technical resources at the disposal of the SRO for serving the countries under their purview.

³ SROs and MDTs co-located with ROs have exactly the same functions and usually the same staffing (one investment officer, one policy officer and five technical officers of which one is also Subregional Coordinator).

- **ROs:** are responsible for leading FAO's response to regional priorities and relations with region-wide organizations. They have a substantial cadre of technical and other staff to carry out their work. They are budget holders for regional development projects (TCE for regional emergency projects); and supervise the SROs/MDTs. Assistant Directors-General/Regional Representatives (ADG/RRs) participate in all major senior management meetings.
- **Headquarters:** is responsible for leading development of the corporate results frameworks and for leading FAO's response to global priorities. Officers at headquarters are generally budget holders for global development projects while TCE generally assumes budget holder responsibility for large-scale and/or complex emergency projects.

18. For the first time, ROs and SROs/MDTs are, in preparing the PWB 2010-11, responsible for planning and programming the resources for technical and policy work in their (sub)region. At the start of the biennium 2010-11, they will fully take over all budget and programme responsibilities for technical officers.

19. FAO's decentralization model, with its multiple layers is designed to facilitate the dialogue on food and agriculture at all levels, be it with governments and other national stakeholders, Regional Economic Integration Organizations, other regional organizations or at global fora.

20. The 2007 Independent External Evaluation of FAO (IEE) recognized that many changes were underway in the context of the FAO Reform and that some were going in the right direction. It concluded that FAO needed a strong presence outside Rome but that the field structure was fragmented, lacked resources, and did not share a common programme framework and that the lines of authority were unclear. In order to improve the overall strategic direction of the DOs, the IEE proposed that: (i) ROs would focus on regional policy and analysis and would assume first line responsibility for the development of strategies and programmes across their region; (ii) SROs/MDTs would be the technical support arm of FAO in the respective subregions; and (iii) country offices needed to be reviewed in the context of benchmarks and cost-efficiency norms. Thus, it confirmed essential elements of the 2005 FAO Reform, especially the focus on ROs and SROs/MDTs.

B. The External Environment Facing DOs

21. External events are resulting in greater demands being placed on DOs. The most important of these include: (i) the 2005 Paris Declaration on Aid Effectiveness (re-confirmed by the 2008 Accra Agenda for Action) which highlighted the issues of ownership, alignment, harmonization, focus on results and mutual accountability; (ii) the UN reforms aimed at greater coherence in operational activities for development which include, *inter alia*, the "Delivering as One" (DaO) initiative in eight pilot countries that followed the Secretary-General's High-Level Panel on UN System-wide Coherence Report issued in 2006; and (iii) the special emphasis given to collaboration with the other Rome Based Agencies and the preparation of a joint strategy that guides coordination at global, regional, national and local levels.

22. FAO, at corporate level, has been coordinating its own actions with these reforms. The FAO Conference approved two Resolutions – one in 2005 and the other in 2007 (Resolutions 13/2005 and 2/2007) – to implement the General Assembly Resolutions (59/250 and 62/2008) which deal with the Triennial Comprehensive Policy Review (TCPR), and request all UN system bodies to work towards more coherent development activities at country level. In this

context, FAO is also working with other agencies on “The Management and Accountability System of the UN Development and Resident Coordinator System” which defines accountability lines for Resident Coordinators, UN Country Team (UNCT) Members and Regional Directors Teams (RDTs). FAO is making efforts to align itself with the UN Reform agenda and, for example, will be participating on a pilot basis in the RDTs which are composed of Regional Directors/Representatives of the UN system organizations in the region, and are emerging as a key mechanism in the UN system’s regional architecture.

C. Staffing

Country Offices

23. Currently there are 235 Professionals and 480 GS staff serving in the country offices under Regular Programme funding. All fully-fledged FAORs are headed by an International Professional, the FAORep, who is supported by one or, in many cases, two National Professionals (an Assistant FAORep Programme in all offices and an Assistant FAORep Administration in selected offices). The remainder of the staff are GS providing support to the Programme and Administration sections or on logistics. In a number of countries, part of the GS (and in a few cases also professional) staff is provided by the Government as contribution in kind. In general, the number of FAO staff funded by the Regular Programme varies from a minimum of six to a maximum of thirteen.

24. FAO Representations have no dedicated technical officers. In countries with large field programmes, international and/or national technical staff may be recruited temporarily on projects. Currently, FAO also has emergency coordination units in about 40 countries. However, technical/emergency staff can only dedicate a limited proportion of their time to support programme development or for activities such as advocacy, general policy support and acting as a convener of stakeholders working on agriculture and rural development. In order to obtain technical support, in addition to what is provided from the SRO/MDT, the RO or headquarters, the FAORs can also hire (usually national) consultants for technical work through the TCP Facility (subject to government approval). In addition they can use their share of administrative and operational support costs (AOS) reimbursements to increase their operational, administrative and programme capacity in accordance with workload fluctuations by hiring temporary national staff.

Regional and Subregional Offices

25. There are currently 253 professional and 303 GS staff in the ROs/SROs under Regular Programme funding. In the context of the preparation of the PWB 2010-11, a review of the skills mix of ROs and SROs/MDTs is underway to better align staffing with functions and needs. In doing so, needs and priorities, intended results, decentralized capacities and resource availability should be carefully balanced. Regional Offices are taking the lead on this. Written documents on the main priority areas linking to the Strategic Objectives are being provided by the ROs. Final proposals on skills mix are expected to be ready by the end of June 2009.

26. Subregional Offices/MDTs are the Organization’s first-port-of-call technical support to countries and their subregional organizations (except in SAARC and ASEAN countries covered by RAP where there is no SRO/MDT). As the average number of technical posts in the SROs/MDTs amounts to seven, of which one is heading the office, it is not always possible to cover all required expertise areas. Hence, SROs/MDTs will continue to also rely on the RO and headquarters for specialized expertise, on emergency coordinators and project

technical staff for networking, and on non-staff resources to flexibly enhance their technical capacity.

27. With regard to administrative work, the ROs have an administrative unit to service both the RO and the co-located MDT, if there is one. In the cases of the SROs that are not co-located with ROs, the administrative responsibilities are limited to servicing the direct needs of the SRO, the host country and related projects. These offices do not have any administrative support role vis-à-vis FAORs in the subregion. Moreover, as for all DOs, many of their administrative transactions are processed by the respective Shared Services Centre hubs, which leave the SROs/MDTs free to focus on technical work.

D. Competencies and Training

Competency Framework

28. In 2006, through a broad internal consultative process, FAO defined the skills, knowledge, and attributes that staff need to have, in addition to their technical know-how, for successful performance. A specific competency framework was also developed for FAOReps which is closely linked to the Organization's core and managerial competencies. The fact that now the majority of Heads of DOs have prior FAO experience ensures that these skills sets are mutually reinforcing.

Training

29. Following the definition of competencies, an Interdepartmental Working Group formulated a comprehensive training programme for FAOReps. This programme aims to build specific competencies with a focus on representing FAO; ensuring an effective field programme; facilitating and coordinating emergencies; and managing the country office. The training builds on the intensive briefing provided to all Heads of DOs prior to taking up their assignment. For FAOReps that are new to FAO, the initial briefing is for four weeks in Rome; this is followed by one week in the relevant RO and two-three days in the concerned SRO. Approximately one year after their first assignment, generally FAOReps are invited to headquarters for a one-week Refresher Course which provides an update on emerging issues, advance training on representing FAO, procurement, and communicating effectively. They also participate in the Management Development Centre organized by FAO together with IFAD and WFP. Training/workshops on subjects such as Emergency Response have also been held in recent times. The training opportunities have been highly rated by participants. Training is not limited to the Heads of DOs. National Professionals and GS staff also receive job-related training locally funded by staff development allocations and participate in training programmes at the regional or global level. Regular Programme allocations for training of staff in DOs is very limited (USD180 000 per year for all FAOR staff – including government-provided staff). Although donor-funding has allowed an intensification of training programmes in recent years, lack of predictable funds makes planning and programming difficult.

30. Currently, AFH is preparing a training plan for all staff, including a special module for Heads of DOs. This includes basic training on results-based management. OCD and AFHT are also working on development of a Virtual Academy: an integrated platform for delivering on-line courses that will enable staff in DOs to create personal learning plans, based on the strengths and weaknesses identified through the Performance Evaluation and Management

System. On-line learning will be combined with mentoring and opportunities for face-to-face learning events either at headquarters or at ROs or SROs/MDTs.

E. Key Challenges to Decentralization

31. There are a number of challenges facing FAO decentralization efforts and these are briefly discussed in the following paragraphs.

Focusing on Results

32. In the current PWB preparation process, unit results of ROs and SROs/MDTs are being associated with corporate Organizational Results. In the future, it will be important for the unit results of the DOs, to also explicitly relate with the decentralized development agenda taking account of National Medium Term Priority Frameworks (NMTPF), the priorities of regional and subregional organizations, and the guidance of the Regional Conferences. At country level, the joint efforts of the UNCT to access global MDG funds and, in the eight DaO pilot countries, the joint UN resource mobilization efforts, implies that the integration of the NMTPF process with the United Nations Development Assistance Framework (UNDAF) is increasingly important for the prioritization of food and agriculture issues. The focus on results would be further strengthened by the joint strategy agreed with the Rome Based Agencies. However, without programmable core resources and in-country technical expertise, FAOReps often struggle to get agriculture and rural development “on the agenda”.

33. By 2010, Regional Conferences will start assuming their new roles including the provision of guidance and advice on the FAO programme for the region as well as the overall FAO programme as it affects the region. Regional Offices have already started to develop regional strategies/priority frameworks that could be a basis for the Regional Conferences’ review of FAO’s regional work. Completing this process of bottom-up planning, integrating it with the Strategic Objectives and Organizational Results, and aligning with global goals will be the key challenge for FAO. A good example of recent progress in this regard relates to the work of the High Level Task Force (HLTF) on the Global Food Security Crisis and its global advocacy for food security and agriculture.

The HLTF brought together the Rome-based Agencies, other UN system organizations, Bretton Woods Institutions and other partners together in preparing a Comprehensive Framework for Action (CFA) responding to the global food crisis. The HLTF is chaired by the Secretary-General of the UN, with the Director-General of FAO as vice-Chair. As a result of FAO’s participation, the revised guidelines for preparation of UNDAFs require that UNCTs address the issue of the food crisis and the 90 UNCTs that prepare a new UNDAF during 2009-2011 (especially those in the 30 priority countries identified by the HLTF) have to give due priority to food security issues. Building on their complementarities the Rome Based Agencies collaborated closely. WFP scaled up emergency response to meet higher cost of food assistance. FAO and IFAD provided additional support to agricultural inputs. Within FAO, food crisis issues are addressed in the Policy Meeting on the FAO Initiative on Soaring Food Prices and ADGs/RRs participate in this meeting and play an active role in supporting the CFA in their respective regions. The CFA has been integrated in FAO’s Initiative on Soaring Food Prices and is also the reference document for FAO’s Impact Focus Area on the global food crisis.

Knowledge networking and decentralization

34. As of 1 January 2010 all decentralized technical staff will be under the direct management of the heads of the respective RO/SRO. In order to continue to provide high quality technical advice, the decentralized technical officers consistently apply corporate technical standards and policies; contribute to corporate learning on good practice; and have appropriate delegated technical authority and accountability. This requires the strengthening of formal networks that give responsibility and accountability to staff in different locations, as well as informal learning networks. There is particular need to develop learning networks that facilitate the knowledge exchange between DOs, headquarters and external partners.

“One AGP” – a Case Study

Following an internal consultation in 2007 AGP recognized the need for improved knowledge sharing between headquarters and DO staff, to ensure that FAO’s corporate plant production and protection standards and policies be consistently applied, irrespective of location, and be continuously informed by relevant field experiences. This included information systems and tools to support knowledge sharing, but more critically cultural, behavioural, structural and managerial changes.

The aim is to support timely sharing of substantive information such as countries visited, contacts made, problems encountered and solutions proposed. The intended benefits are the increased consistency in FAO’s plant production and protection work, elimination of unnecessary duplication of effort and more systematic application of lessons learned.

The initial phase suggests that while the software and tools can be quickly put in place, motivating staff to recognize that time spent on knowledge sharing activities contributes directly to the quality of results is the more significant challenge. Corporate policies and resources permitting, the division is starting to address this through training, targeted extension of travel to allow due time for face-to-face meetings, job rotation, rewards for staff engaging in good knowledge exchange practices and staff coaching.

35. The Information and Knowledge Management (IKM) Strategy, currently under development, may address a number of strategic questions about knowledge management in the decentralization process. Substantive work is ongoing on this topic and Governing Body discussion on FAO’s IKM Strategy will take place after the completion of the Programme of Work and Budget.

Sufficient, predictable and programmable Funds

36. To effectively engage in the large number of initiatives taking place at country level FAORs have to manage and participate in a large number of initiatives. The lack of technical and programme support staff in country offices makes it difficult to fulfil all expectations and demands of the host governments, donors, the UN Resident Coordinator and the UNCT. However, the strong engagement of FAORs in the country process, strongly supported from SROs, ROs and headquarters, has led to improvements. This has resulted in significant fund mobilization in the DaO pilots as well as in other countries, including from the MDG One. FAO’s budget share in the UNDP/SPAIN MDG Achievement Fund is about nine per cent (some USD65million). Recently a multi-donor facility of some USD400 million for 2009 and 2010 has been established (“Expanded Delivering-as-One Funding Window”) through which unearmarked resources will be made available to the UNCTs which follow the DaO approach in preparing their UNDAFs in 2009-11. The Steering Committee for this new multi-donor

facility is being led by FAO in its capacity as the Vice-Chair of the UN Development Group (UNDG). Completion of work on the Impact Focus Areas (IFAs), including a communication and resource mobilization strategy for each IFA, will further help regional, subregional and country offices to work together on resource mobilization.

Harmonization of Business Processes

37. Closer UN system collaboration at country, subregional and regional levels is going to be essential for FAO to ensure synergy and effectiveness, as well as access to the resources that are increasingly being channelled at country level through the UN system. However, collaboration also requires common administrative, management and reporting systems. Progress is being made in this regard. FAO is working with other UN system agencies to review its tools and instruments for project and programme work; has actively contributed to harmonization of UNDAF guidelines, the development of Guidelines for the UNDAF Action Plan (an approach based on best practices from the One Programme) and One Budgetary Framework; and is aligning its Standard Project Document to the best practices in the UN system. FAO is also introducing the UN standard to engage financially with national implementing partners, (Harmonized Approach to Cash Transfers - HACT) on a pilot basis in the eight DaO pilot countries. FAO's "joint strategy document" with IFAD and WFP also includes administrative collaboration as one of its four pillars.

38. Following the recommendations of the Root and Branch Review final report, management has undertaken to further empower DOs with regard to procurement and the review of relevant rules and regulations is ongoing.

Benchmarking and Performance Assessment

39. Benchmarking and a performance-based assessment is an essential corollary of a results-based management system. Such a system for DOs should provide: (i) the baseline against which DO performance can be measured, using indicators and benchmarks derived from analysis of comparator organizations; (ii) the procedures and systems for measuring performance against agreed baselines; (iii) the decisional processes to determine and implement necessary improvements. Although external expertise is needed to progress on this work, some preliminary ideas have been prepared and are under review.