



Members' Update

FAO renewal



External review of administrative, support services completed

A "Root-and-branch" review of FAO's administrative and support services claims that net savings of approximately US\$37.4 million could be achieved from 2009 to 2013 if recommended streamlining and reallocation of responsibilities were implemented. The review, carried out by the global consulting firm Ernst & Young, is currently under close study by FAO management.

The Ernst & Young report agrees with the Independent External Evaluation in finding that FAO provides excellent services in the technical field. However, it adds that there is lack of efficiency and service orientation within the administrative and support area.

"The need to transform FAO administrative and support functions into more efficient, effective and customer-driven functions has been continuously indicated to us and has provided a strong driver to our work," the report says. Among the review's recommendations is that the human resources division assume a more strategic and advisory role, working closely with departments and offices in planning for the best use of staff. Turning to FAO's budget, the review says the Organization should have a single, results-based planning and budgeting cycle, covering both its regular programme of work and extrabudgetary activities.

A savings potential of up to US\$8.8 million is identified in the area of procurement, linked primarily to partnerships in procurement with other agencies and transferring activities to the Shared Services Centre. Other initiatives include setting up an advisory service to support technical divisions and decentralized offices in selection of goods for field projects.

The review states increased efficiency and reduced duplication could also be achieved in information technology by merging IT services into one division and improving IT governance in FAO. Among other recommendations are the creation of a central correspondence registry system, enabling all staff to store and manage records by themselves, and increasing the proportion of externally contracted translation services. The review also recommends that savings are possible in printing, distribution and warehousing and through the introduction of 14 days' standard advance booking time for travel.

The report says successful implementation requires both a clear project plan and the full commitment of management. FAO management will provide initial comments on the estimated costs and projected savings in a report to the Finance Committee meeting on 11 May. It will provide a management response on the substance of the review report to a meeting of Working Group III of the Conference Committee on 20 May.

IPA Trust Fund situation report

A further four member countries have pledged and contributed to the Trust Fund for implementation of the Immediate Plan of Action for FAO Renewal, since the previous edition of this newsletter. The total pledged stood at US\$6 394 335 as of 22 April, with contributions reaching US\$3 400 831, after Australia, United Republic of Tanzania, Belgium and Cameroon all contributed. A total of 25 member countries, plus the EC, have pledged funds.

The FAO Conference established the Trust Fund to receive Members' extrabudgetary contributions. The target for funding is US\$19.90 million.

Country	Pledged	Paid
AUSTRIA	65,933	65,933
AUSTRALIA	100,000	
BRAZIL	100,000	100,000
BELGIUM	250,000	250,000
CAMEROON	21,739	
CYPRUS	9,186	9,186
ESTONIA	4,000	4,000
EC	1,200,000	
FRANCE	900,000	400,000
GERMANY	906,736	906,736
GREECE	86,338	86,338
ITALY	1,000,000	1,000,000
IRELAND	142,638	142,638
MOZAMBIQUE	1,765	
NEW ZEALAND	70,000	70,000
SLOVAKIA	44,000	44,000
SPAIN	600,000	
SWITZERLAND	301,434	301,434
TANZANIA	19,975	19,975
UNITED KINGDOM	570,000	
Transfer IEE Trust Fund	591	591
TOTAL	6,394,335	3,400,831

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