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Renewal, budget and staff

Staff

Staff is FAO's most important resource. In 2008, the Organization adopted a human resources strategy compatible with ongoing reform initiatives and aimed at generating a favourable environment for attracting and motivating a top-level workforce. Human resources planning strives to achieve gender balance (including senior women in leadership) while addressing other critical issues such as an ageing workforce and the need for new skills, knowledge and expertise.

Enhanced human resources policies include:

- a staff mobility programme to expand career opportunities and foster a dynamic working environment;
- flexible working arrangements including teleworking, compressed work schedules, job-sharing and phased retirement;
- a junior professional officer programme to facilitate succession planning and rejuvenate the existing workforce;
- an internship programme to build upon existing partnerships with universities worldwide; and
- a special approach to harmonize conditions of service for staff serving in duty stations of considerable hardship or insecurity.

Immediate Plan of Action for FAO's renewal

At the end of 2005, FAO's governing bodies commissioned a comprehensive Independent External Evaluation of the Organization, carried out by a team of high-level consultants. The evaluation concluded with a central message of "reform with growth". It was examined by the November 2007 session of the FAO Conference. The Conference set in motion an extensive process of analysis and intergovernmental discussion of the evaluation's findings, which took place during 2008. This culminated in the adoption of Resolution 1/2008 by the 35th (special) session of the Conference in November 2008. The membership agreed to the implementation of an Immediate Plan of Action for FAO's renewal, to unfold over the three-year period from 2009 to 2011.

Inside the plan

An important element of the Immediate Plan of Action is its enhanced results-based framework for programming and budgeting, the main features of which are described below.

The plan includes major changes to the functioning and timing of sessions of the governing bodies, particularly in order to:

- foster global and regional policy and regulatory coherence in the areas of FAO's mandate, and address emerging issues more systematically;
- strengthen the participation of the membership in policy setting for, and oversight of, the work of the Organization;
- clarify the responsibilities of the governing bodies and make the regional conferences part of the governance structure;
- improve the information available to members for making decisions related to the election of the Director-General; and
- facilitate more effective evaluation and audit.

The plan covers improved performance through a wide range of measures including:

- a fully consultative and seamless process of programme and budget formulation, and resource management covering all sources of funds;
- revamped administrative and management systems including greater delegation of authority and productivity gains in administrative functions;
- human resource policies and practices geared to maximum transparency, professionalism and competition in recruitment and promotion at all levels;
- restructuring of headquarters and decentralized offices, and delayering posts in the managerial hierarchy including redeploying resources to priority technical work; and
- an emphasis on culture change and partnerships, as well as improved communication, both horizontally and vertically within the Organization.



FAO headquarters, Rome.

Enhanced results-based framework in FAO

A new results-based framework will guide priority setting, programme design and the application of resources (integrating both assessed contributions and voluntary, extrabudgetary resources). When compared to past practices, there is a major shift in focus from what the Organization delivers (outputs), to the impact of all its activities and the anticipated benefits for countries both nationally and globally. This provides a strong basis for "reform with growth".

The new Strategic Framework and Medium Term Plan presents the main elements of the results-based programme:

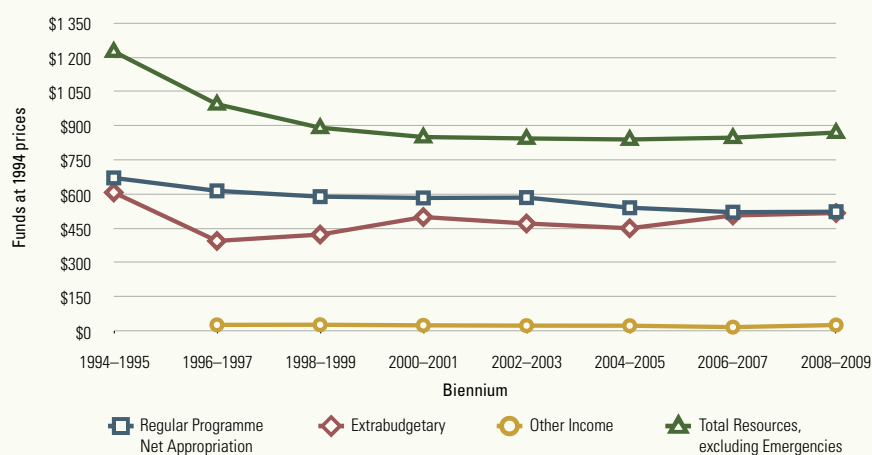
- FAO's vision and three "global goals" represent the long-term outcomes, within the areas of FAO's mandate, that the member countries aim to achieve;
- "strategic objectives" contribute to the "global goals" and define the impact, globally and within countries and regions, that members are expected to achieve in ten years with contributions from FAO;
- "organizational results" define the outcome expected when countries and partners use FAO's products and services to pursue each "strategic objective";
- "core functions" represent the main

ways in which FAO draws on its comparative strengths to achieve results; and

- targets and indicators support the monitoring of progress and inform the impact assessment through evaluation.

The results-based framework also aims for greater transparency and to facilitate oversight. The use of all resources (assessed and voluntary) in line with agreed priorities and of their effectiveness in terms of benefits to constituents at all levels, is firmly based on the new way FAO does business, i.e. how it plans, implements and assesses its work.

Trends in FAO resources (US\$ millions)



Regular Programme from approved Conference resolution, extrabudgetary from forecast of expenditure included in Programme of Work and Budget (2008-09 figures).

Source: FAO

Resources

The evolution since 1994 of the total resources available to FAO (i.e. through the net biennial appropriation approved by the Conference and additional extrabudgetary resources) is portrayed at left at constant 1994 prices (from the Independent External Evaluation figure 7.1, updated to 2008-09). From 1994 to 2008-09, regular budget resources have declined by 22 percent, while total resources (excluding those related to assistance for emergencies) have declined by 29 percent in real terms. With the approval of a "maintenance budget" for the 2008-09 biennium, the downward trend in regular budget resources came to an end.

Attention to cost efficiency

Since 1994, FAO has been consistent and vigorous in its efforts to use funds efficiently. Significant savings have come from a reduction in the number of staff. Staff have also been moved to the field, putting them closer to project operations. This lowers costs and allows for a better response to the needs of countries.

More generally, recurrent costs have been reduced with biennial savings estimated at more than US\$120 million compared against 1994. Savings have been made in particular by:

- removing layers of management and enhancing decentralization when appropriate;

- outsourcing work to more favourable cost locations;
- holding shorter meetings and disseminating information in electronic form where possible;
- streamlining administrative and financial operations;
- introducing innovative formulae for hiring retired staff or national experts from the countries where projects are operating;
- taking advantage of fast-evolving and cutting-edge office technologies;
- reducing travel costs; and
- benefiting from cheaper telephone rates.

Similar savings have been pursued in the 2008-09 biennium and will be accelerated.



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