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JOINT MEETING

**Hundred and Ninth (Special) Session of the Programme
and Hundred and Forty-first Session of the Finance Committees**

Rome, 3 November 2011

**PROCESS FOR THE REVIEW OF THE STRATEGIC FRAMEWORK
AND PREPARATION OF THE MEDIUM TERM PLAN 2014-17**

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Executive Summary

- As called for in the new FAO programming cycle, the Strategic Framework 2010-19 should be reviewed during 2012 and a new MTP 2014-17 and PWB 2014-15 be prepared during 2012 and early 2013 for approval by the Conference in June 2013. This document outlines the process to be followed, taking into account lessons learned to date and guidance from the governing bodies.
- Experience has shown that there is a need to improve the formulation and implementation of the current Strategic Framework and the next Medium Term Plan. Furthermore, the governing bodies have placed particular emphasis on improving the process of prioritization of the technical work of the Organization, including through documentation submitted to the Regional Conferences and Technical Committees.
- Taking into account the lessons learned from formulating and implementing the Strategic Framework and MTP/PWB, the Secretariat has initiated internal consultations to develop a set of five possible guiding principles to orient the review of the Strategic Framework and preparation of the new MTP. These principles include: i) Identify priority aims and challenges; ii) Apply a multi-disciplinary country focus; iii) Leverage comparative advantages and core functions; iv) clarify, define and rationalize results; and v) engage staff.
- The process of reviewing the Strategic Framework and preparing the MTP 2014-17 will apply the guiding principles through six main steps during the period from October 2011 to June 2013:
 - 1) Prepare and receive comments on the process and guiding principles;
 - 2) Formulate regional priorities on the basis of outputs and guidance from the Regional Conferences;
 - 3) Synthesize regional priorities, prepare outline of the review Strategic Framework and MTP 2014-17;
 - 4) Formulate technical priorities on the basis of outputs and guidance from the Technical Committees;
 - 5) Prepare second outline of revised Strategic Framework and MTP 2014-17, reflecting regional and global priorities, and experience gained on the formulation of country priorities through country programming frameworks; and
 - 6) Prepare the revised Strategic Framework 2010-19 and the MTP 2014-17/PWB 2014-15, for consideration by the Programme and Finance Committees and recommendation on the budget level by the Council, and approval by Conference.

Guidance sought from the Joint Meeting

- The Joint Meeting is requested to provide comments on the proposed guiding principles and take note of the process and timeline to be followed in the review of the Strategic Framework and preparation of the Medium Term Plan 2014-17.

A. Background

1. The Conference in 2009 established a renewed programme and budget approach for the Organization. This included introduction of revised, related documentation, described in Annex 1, consisting of a Strategic Framework, prepared for a period of ten to fifteen years and reviewed every four years; a Medium Term Plan (MTP) covering a period of four years and reviewed each biennium; and a Programme of Work and Budget (PWB) covering biennial periods. The Conference resolution¹ was consistent with IPA actions on the priorities and programmes of the Organization.
2. In the same resolution, the Conference introduced a revised schedule of sessions of the governing bodies of the Organization for the implementation of the new programming, budgeting and results-based monitoring system, allowing the governing bodies to participate in the process of preparation and adjustment of the Strategic Framework, MTP and PWB. Under these new arrangements the Regional Conferences, Technical Committees and Programme Committee advise the Council on programme and budget matters, including future priority areas for technical work of the Organization.
3. The Strategic Framework 2010-19 and MTP 2010-13 / PWB 2010-11 were prepared during 2008-09 and adopted by the Conference in November 2009.² In line with the new programming cycle, the MTP 2010-13 was reviewed during the first year of its implementation; the MTP 2010-13 (*Reviewed*)/PWB 2012-13 was prepared in early 2011, and approved by the Conference in July 2011; and adjustments to the PWB 2012-13 arising from Conference decisions and guidance have been proposed for approval by the Council at its session in November-December 2011.³
4. As called for in the new programming cycle, the Strategic Framework 2010-19 should be reviewed during 2012 and a new MTP 2014-17 and PWB 2014-15 be prepared during 2012 and early 2013 for approval by the Conference in June 2013. This document outlines the process to be followed, taking into account lessons learned to-date and guidance from the governing bodies.

B. Lessons learned

5. The current Strategic Framework represents a step forward in providing a shared vision and common understanding of FAO's goals and objectives, and a basis for planning, monitoring and reporting the Organization's programme of work. Experience to-date has shown that there is a need to improve the formulation and implementation of the current Strategic Framework and the next Medium Term Plan.⁴ Areas for improvement include simplifying and clarifying the results-based components of the Strategic Framework, focusing FAO's impact at the country level, and making more effective use of resources. The Strategic Framework also needs to be leveraged by FAO Management to make the best use of FAO's technical knowledge and expertise by ensuring the most effective, enabling Organizational structure to deliver on global goals, including the break down of internal organizational silos and promoting collaborative, multidisciplinary work.
6. The governing bodies have placed particular emphasis on improving the process of prioritization of the technical work of the Organization. In its report to the 2011 Conference,⁵ the Conference Committee for the Follow-up to the Independent External Evaluation of FAO (CoC-IEE) observed that while some progress had been made, the prioritization process was not yet well established. It reiterated that a systematic and synchronized approach to prioritization should be put in place for preparing the MTP 2014-17 starting in late 2011, learning from the experience of planning for the 2012-13 biennium. In establishing a coherent set of priorities for future biennia, the CoC-IEE recalled the Programme Committee and Council recommendations that the Secretariat should:⁶

¹ CR 10/2009

² C 2009/3, C 2009/15, and C 2009/REP paragraphs 116-127

³ C 2011/3, C 2011/REP paragraphs 94-103, CL 143/3

⁴ C 2009/REP paragraphs 119-120, C 2011/REP paragraph 95

⁵ C 2011/7 paragraphs 58-59

⁶ CL 140 REP paragraph 11f, CL 141/4 paragraph 11

- a) identify emerging issues to inform the review and refinement of the MTP for the 2014-17 period;
 - b) address across the strategic objectives the coordination of cross-cutting issues to help drive priority setting;
 - c) clarify the roles and collaboration of headquarters and decentralized offices in planning and implementing the technical PWB in the context of the vision on decentralization;
 - d) highlight the comparative advantage of FAO compared to other organizations.
7. In establishing a coherent set of priorities for future biennia, the Programme Committee recommended that the Secretariat:⁷
- a) further improve the documentation submitted to the Regional Conferences and Technical Committees, including a description of areas of emphasis and de-emphasis of the technical work of the Organization at global and regional level, so as to promote more structured guidance on priorities and their relation to specific Strategic Objectives and Organizational Results, and to facilitate a more uniform approach to drafting reports;
 - b) ensure consultation with Strategy Teams (strategic objectives and regions) when preparing prioritization documents to be submitted to Regional Conferences and Technical Committees.

C. Guiding principles

8. Taking into account the lessons learned from formulating and implementing the Strategic Framework and MTP/PWB, the Secretariat has initiated internal consultations to develop a set of five possible guiding principles to orient the review of the Strategic Framework and preparation of the new MTP.
- i) Identify priority aims and challenges
 - Focus on long-term aims and challenges and work backwards: what does FAO need to do now that will deliver on the global goals?
 - Focus on fewer priority aims and challenges, and therefore fewer Strategic Objectives, that must be addressed or overcome in order to achieve the global goals.
 - ii) Apply a multi-disciplinary country focus
 - Identify priorities that are cross-cutting that promote solutions which no single FAO unit or particular expertise can address alone, and that require collaboration and alignment across FAO.
 - Develop a corporate strategy that builds on and addresses the specific regional and country priorities, using the Country Programming Framework process, creating a strategy that is more demand-responsive than supply-driven.
 - Strengthen the functional relationships between national development priorities and the services provided by FAO country offices, subregional offices, regional offices and headquarters.
 - iii) Leverage comparative advantages and core functions
 - Ensure that the Strategic Framework identifies and enables FAO to exercise its comparative advantages and is aligned with FAO's core activities and functions.
 - Ensure that FAO's role in the provision of global public goods continues to be recognized and improve the connections between FAO's global public goods/normative work with regional and national needs.
 - iv) Clarify, define and rationalize results
 - Integrate regional priorities and regional results, based *inter-alia* on "bottom-up" inputs from the country and subregional level, to create one FAO-wide set of Strategic Objectives and Organizational Results, and clarify the role of the Functional Objectives.

⁷ CL 140/8 paragraph 12

- Prioritize FAO's programme of work on outputs which have high impact and can help Members and stakeholders deliver on development outcomes related to the Strategic Objectives.
 - Provide a platform for teamwork, multidisciplinary and inter-related work across FAO, in particular between headquarters and decentralized offices and between the Knowledge and the Operational Arms.
 - Use Strategic Objective teams to develop action plans and coordinate activities across organizational units to deliver results.
- v) Engage staff
- Instil a shared purpose for delivering on Strategic and Functional Objectives amongst staff at all levels, coupled with a framework of internal accountability mechanisms for managers and staff to deliver on results.

D. Proposed process and timeline

9. The process of reviewing the Strategic Framework and preparing the MTP 2014-17 will apply the guiding principles through six main steps during the period from October 2011 to June 2013, as described below and illustrated in Annex 2.

10. **Step 1** – *Prepare and receive comments on the process and guiding principles.* This is the subject of the present document.

11. **Step 2** – *Formulate regional priorities on the basis of outputs and guidance from the Regional Conferences.* A priority framework will be developed from the existing regional priorities, and from consultations at regional and subregional level, to be defined through guidance from the Regional Conferences in standardized reports.

12. **Step 3** – *Synthesize regional priorities, prepare outline of the reviewed Strategic Framework and MTP 2014-17; and receive guidance from the Programme and Finance Committees and Council.* The priority framework will be elaborated, through a collaborative process led by the Deputy Directors-General (Knowledge and Operations) and involving the Regional Offices, in preparing a first outline of the reviewed Strategic Framework.

13. **Step 4** – *Formulate technical priorities on the basis of outputs and guidance from the Technical Committees.* Build on the priority framework in Step 3 to seek guidance on global technical objectives and priorities for the Organization.

14. **Step 5** – *Prepare second outline of reviewed Strategic Framework and MTP 2014-17, reflecting regional and global priorities, and experience gained on the formulation of country priorities through Country Programming Frameworks; and receive guidance from the Programme and Finance Committees and Council.*

15. **Step 6** – *Prepare the reviewed Strategic Framework 2010-19 and the MTP 2014-17/PWB 2014-15, for consideration by the Programme and Finance Committees; recommendation on the budget level by the Council, and approval by Conference.*

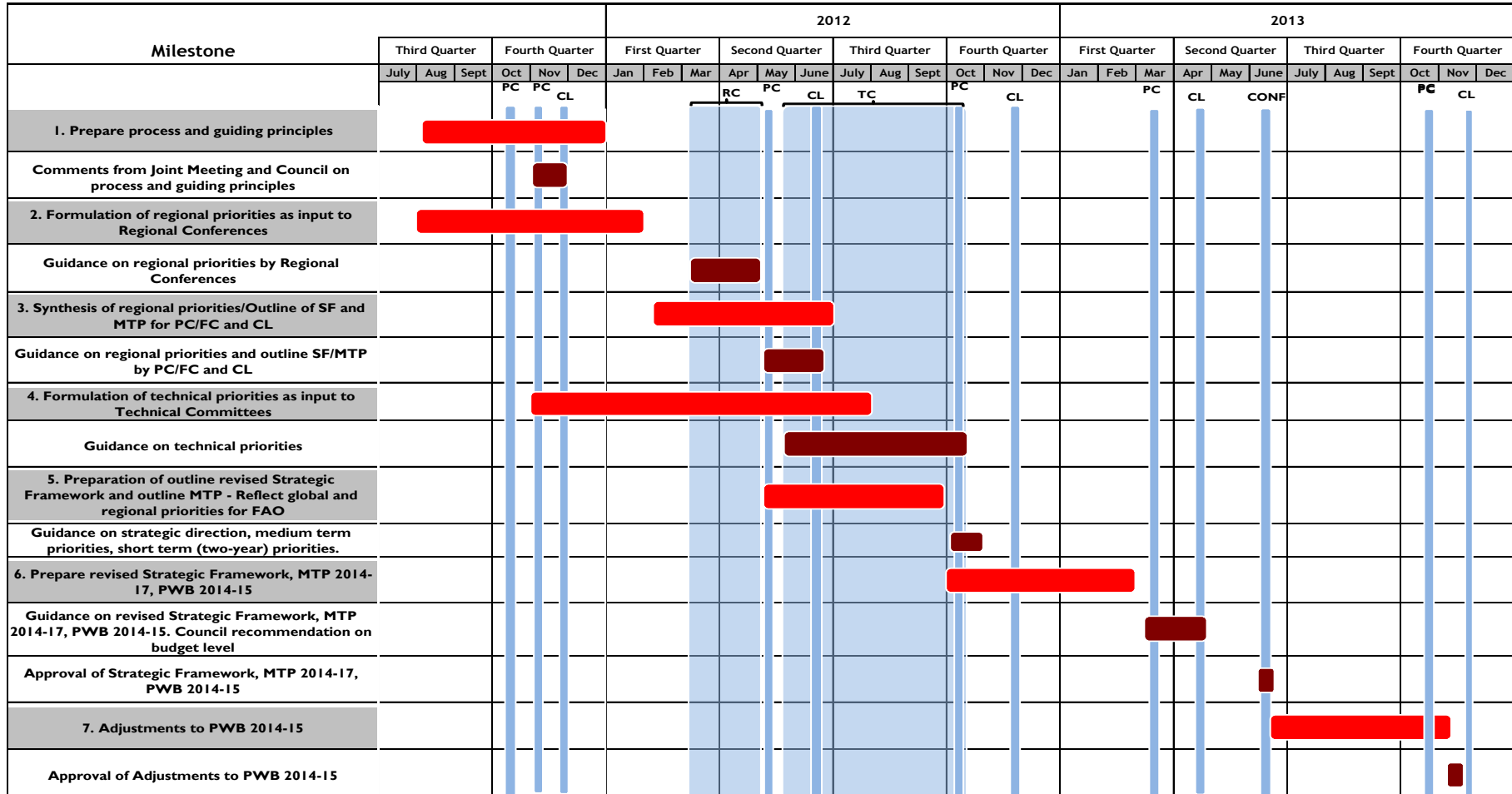
E. Guidance sought

16. The Joint Meeting is requested to provide comments on the proposed guiding principles and take note of the process and timeline to be followed in the review of the Strategic Framework and preparation of the Medium Term Plan 2014-17.

**Annex 1: Extract from Conference Resolution 10/2009
Implementation of the IPA regarding the reform of the
programming, budgeting and result-based management system**

1. Decides to introduce revised programme and budget documentation consisting of the following components which, as appropriate, could be incorporated in a single document:
 - a) a Strategic Framework prepared for a period of ten to fifteen years, reviewed every four years and including, *inter alia*, an analysis of the challenges facing food, agriculture and rural development and populations dependent thereon, including consumers; a strategic vision, the goals of Members in areas of FAO's mandate, as well as Strategic Objectives to be achieved by Members and the international community with support from FAO, including targets and indicators of achievement;
 - b) a Medium Term Plan covering a period of four years and reviewed each biennium, including:
 - i) Strategic Objectives for achievement by Members and the international community with support from FAO, in accordance with the Strategic Framework;
 - ii) frameworks for organizational results including specific outcomes which shall contribute to the achievement of the Strategic Objectives by FAO Members and the international community. Insofar as possible organizational results will have specific achievement targets, performance indicators, relevant assumptions, show the contribution of FAO and indicate the budgetary provisions from assessed contributions and estimated extra-budgetary resources, which may condition the attainment of targets. Gender will be fully integrated into the Strategic Framework and Medium Term Plan and will no longer have a separate Gender and Development Plan of Action;
 - iii) an identification of impact focus areas, as priority groups of results aimed at mobilizing extrabudgetary resources, improving oversight of extra-budgetary resources in key impact areas and increasing coherence between activities financed by the Regular Programme and extrabudgetary resources;
 - iv) functional objectives aimed at ensuring that organizational processes and administration work towards improvements in a results-based framework.
 - c) a Programme of Work and Budget covering biennial periods, clearly identifying the share of resources devoted to administrative work, anchored in a results-based framework and including the following elements:
 - i) organizational results framework (outcomes) established in accordance with the Medium Term Plan, including organizational responsibility for each result;
 - ii) quantification of costs for all organizational results and related commitments;
 - iii) calculation of cost increases and planned efficiency gains;
 - iv) provision for long-term liabilities and reserve funds;
 - v) a draft Conference resolution of approval of the programme of work and the appropriations.

Annex 2: Provisional Timeline for Revision of the FAO Strategic Framework and Preparation of the MTP 2014-17



Legend: RC: Regional Conference
 TC: Technical Committees of Council
 PC: Programme Committee
 FC: Finance Committee
 CL: Council
 CONF: Conference

■ : Governance Input
 ■ : Governance Process
 ■ : Secretariat Process for Input Preparation