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منظمة
الأغذية والزراعة
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FAO REGIONAL CONFERENCE FOR EUROPE

Thirtieth Session

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Decentralized Offices Network

Executive summary

- The decentralization process received significant institutional support from member countries during the 39th Session of the Conference, resulting in a request to review FAO decentralized offices worldwide. A document (CL153/14 Rev.1)¹ was duly prepared, which has subsequently been reviewed, discussed and endorsed by the joint meeting of the Programme and Finance Committees, as well as by the Council. Both bodies recommended that the document be reviewed and discussed during the Regional Conferences, in order to be finally reviewed by the Council during its session of June 2016.

Suggested actions to be approved by the Regional Conference

- Recognize the need to update the coverage of FAO offices in the region, in order to adapt to current developments and requirements, and achieve greater efficiency in the implementation of Strategic Objectives.
- Support the proposed principles and general criteria for reviewing FAO coverage.
- Provide guidance on options that are presented in section IV for changes in the region.

I. Background

1. The 39th Session of the Conference requested that an independent review be undertaken of the decentralized offices network and that its findings be submitted to the 153rd Session of the Council (November-December 2015) through the joint meeting of the Programme and Finance Committees.

2. The resulting decentralization document (CL153/14 Rev.1) builds directly on five independent regional evaluations of FAO's decentralization.

¹ <http://www.fao.org/3/a-mo696rev1e.pdf>

This document can be accessed using the Quick Response Code on this page; an FAO initiative to minimize its environmental impact and promote greener communications. Other documents can be consulted at www.fao.org



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3. The recommendations of the regional independent reviews suggest a number of general criteria that include:

- i) Ensuring FAO country presence remains the guiding principle for FAO decentralization and the structure of the Organization's network in the field.
- ii) Regional and Subregional Offices should be located in areas that have shared knowledge and experience, enabling efficient work with partner entities, and have good transport links.
- iii) Prioritize expenditure in areas that provide a greater contribution to FAO results. Low and lower-middle-income economies should be higher priorities for these expenditures over high and upper-middle-income economies.
- iv) Given the great diversity between offices, it is suggested that there should be a method of recognizing the degree of management complexity and responsibility of each of the offices and of differentiating management decisions based on the corresponding staffing levels.
- v) Prioritize FAO country presence and Regular Programme support in low-income and food-deficit countries, and move increasingly towards cost-sharing offices in high or upper-middle-income countries.

4. These options are clear and straightforward, based on changes that can be justified on what they share with other Organization reforms that are in progress. Most of the changes fall within the responsibility of Management, however in all cases the approval of governing bodies has been sought. Even when in the past it has been difficult to reach a consensus on these issues, the process has become easier once the Members recognize the importance of implementing these changes and give their opinion through the governing bodies. These opinions, which promote change, may be based on the recommendations from the five independent regional evaluations, or on additional data presented in the decentralization document cited above. Once the submitted options are approved, FAO office coverage will be updated to fulfil the objectives and results that the Member States have assigned to the Organization.

II. Common themes of the five regions

5. When discussing coverage, it is useful to highlight the combined budget of the Organization, in which approximately 40 percent of the total comes from assessed contributions of Member States and approximately 60 percent from voluntary contributions. At a country level, assessed contributions cover the basic office expenditures and essential core staff. This includes a single international staff member, an FAO Representative (in countries where there is one), generally one or two national professional officers (NPO) and some administrative officers. All other project activities, with the exception of Technical Cooperation Programme (TCP) resources, are funded by voluntary project-specific contributions. These projects require technical and operational support, provided by the country office and by the subregional, regional and headquarters units, which are funded primarily by assessed contributions on a cost recovery basis.

6. As a consequence, some country offices are very large, with staff, budgets and volumes of transactions that are in some cases even larger than that of Regional Offices, while others are much smaller in size.

7. Delivery is important, in the sense of the volume of expenditure in a given country or by a given office, but results represent much more than delivery. In some countries the role of FAO is more focused on policy advice or facilitation of South-South Cooperation, while in others it is more focused on helping the government to coordinate programmes and external funding that FAO does not manage directly. In these instances, accountability requires a structure that goes beyond the exclusive use of project contributions, along with an appropriate management hierarchy of information, monitoring, reporting and oversight.

8. The world has evolved politically and economically since the first FAO offices were set up. The growth of middle-income countries is another of the most noticeable trends.

9. As identified in the new Sustainable Development Goals (SDG), this reality reflects the fact that the world's most significant challenges are truly global in nature. FAO's normative work and global public goods need to be seen as integral parts of its work in support of policy change and implementation, national capacity development and support to countries in their efforts to address the challenges. Putting all this together requires making the best possible use of the combination of centralized and decentralized support, along with the optimal facilitation of partnerships and knowledge sharing.

III. Recommendations as the basis for implementing change

10. There are a number of principles that should guide the discussion of options for change. Changes should take into account the drivers that determine the context of international cooperation and influence the way FAO negotiates with countries. These include:

- i) the development of the FAO Strategic Framework and focus on results at country level, as well as the implementation of Sustainable Development Goals (SDGs) as a unified, inclusive and sustainable development framework.
- ii) the funding instruments that may be attached directly or indirectly to the SDGs, including the Climate Change Fund.
- iii) the increasing importance of South-South Cooperation as a major vehicle for fostering technical cooperation.
- iv) the importance of establishing partnerships with international, regional and national organizations, civil society and the private sector.

11. These factors will put additional pressure on FAO for integration at all levels to be closer to Member States.

12. In order to fulfil these roles, ensuring FAO country presence, through various means, should remain the guiding principle for FAO decentralization and the structuring of the FAO network.

- Wherever possible, all developing countries should have an accredited FAO Representative, who may or may not be resident, depending on the level and outlook of the programme and the specifically signed agreement with the relevant Member State.
- Wherever the FAO Representative is not resident, appropriate provisions should be in place to ensure the continuity of dialogue with the government and that the country has full access to FAO's knowledge, support and services that it may require. This will inevitably represent an evolving picture and FAO coverage should be reviewed periodically, perhaps every other biennium, based on an assessment of the delivery and the prospects for programme development.

13. A number of the changes proposed, or that are currently being implemented, are more general in nature and apply to all regions and subregions. Most of the changes currently under current implementation have to do with the responsibility of the country and Regional Offices in formulating, implementing, monitoring and reporting on the Strategic Framework. These changes relate directly to questions of coverage, given the new way in which all the offices are linked in the results framework, and the importance of the Regional Initiatives as one of the mechanisms to better organize and deliver headquarters, regional and subregional support to country programmes in key priority areas.

14. Given the high degree of variability among country offices, a general proposal is to recognize the degree of management complexity and responsibility of specific country offices, and consequently differentiate management decisions on grades and staffing of country offices accordingly.

- i) For those countries above a given level of delivery, such as above USD 8 million per year, the offices will be eligible for special consideration.

ii) For those countries below a given level, such as below delivery of USD 1 million per year, with due consideration for other responsibilities of some offices as discussed above, some of these low-delivery countries may need to come under multiple accreditation, meaning they would not need a resident FAO Representative (FAOR), or make other management decisions regarding the level of staffing of the office.

a) Another option for these countries may be to downgrade the post of a new FAO Representative with preference given to experienced national assistants of the FAO Representatives as they transition to international staff responsibilities.

b) Another option may be to send existing technical staff as FAORs who will work primarily as technical officers, linked to the subregional multidisciplinary team, while at the same time building up the country programme. This outposting could be for longer or shorter periods of time, depending on the specific requirements of each country.

15. Another more general change is to prioritize FAO presence and Regular Programme support in low-income food-deficit countries on one hand, and to rely increasingly on cost sharing for offices in high or upper-middle-income countries. Similarly, in terms of the impact of climate change, the Small Island Developing States (SIDS) and particularly those in the Pacific require special priority.

16. In all cases, the size and scope of FAO presence must be flexible and timely, taking into consideration the economic status of the country, the existence or likelihood of crisis situations, the location and resilience of other partners, and the need for FAO support.

IV. Options for Change for Europe and Central Asia and Suggested Action by the Regional Conference

17. The trends in the Europe and Central Asia Region are relatively clear, particularly with regard to the need to strengthen FAO's support to certain regions, with or without country offices. These include countries in the Balkans (Serbia, The Former Yugoslav Republic of Macedonia, Bosnia and Herzegovina, Montenegro and Albania); the former Soviet countries in Europe (Republic of Moldova, Ukraine, Belarus), in the Caucasus (Georgia, Azerbaijan and Armenia); and in Central Asia (Tajikistan, Kyrgyzstan and Uzbekistan). The ideal configuration of the regional and subregional offices to carry this out is less clear and there are competing options that offer advantages and disadvantages.

18. Budapest serves well both as a hub of shared services centres, including FAO's SSC, and as a neutral location for regional fora, being within good commuting distance of FAO HQ as well as major partners such as UNECE in Geneva, the European Commission (EC) in Brussels and the newly established Eurasian Economic Commission (EEC) in Moscow. Budapest is also attractive from a cost and infrastructure perspective. The host government has consistently demonstrated its support in facilitating operations. While Budapest is itself not a major international transportation hub, it is well connected through, for example, Frankfurt, Munich and Vienna international airports, as well as Istanbul for Central Asia.

19. As regards the location of Ankara for SEC, several discussions have already taken place with the Turkish authorities to move the SEC Office to Istanbul to join the UN hub. However, discussions are ongoing and such a move is unlikely until new common premises are identified and cost considerations are well understood. In any case, a sub-office will need to be retained in Ankara to liaise with the relevant Turkish ministries.

20. The Liaison Office in Brussels may play a more active role in developing cooperation with the European Union.

21. There are country offices headed by FAORs in Dushanbe, Tajikistan and Bishkek, Kyrgyzstan, with country offices headed by AFAORs in Albania, Armenia, Georgia and Uzbekistan.

Moscow and Astana are probably the best positioned to coordinate the work in Russian-speaking states of the former Soviet Union. These offices all require further consolidation.

22. In medium and high-income countries that have major cooperation programmes with FAO, partnership and liaison offices are a very interesting and valid option for elevating the status of current FAO Representation. Partnership and liaison offices guarantee that FAO cooperation programmes can depend on more predictable and long-term resources, generate greater synergies between planned activities and boost the mobilization of additional resources from other donors interested in strengthening country cooperation programmes with FAO.

23. Another valid option for high-income countries that have relatively small collaboration programmes with FAO would be multiple accreditation with FAOR located in another country. Either way, these countries would maintain their representation through a reinforced team of national staff.

24. Azerbaijan has agreed to open a Partnership and Liaison Office in Baku, headed by an international staff member. Agreement has also been reached to open a similar office in Kazakhstan. The Liaison Office with the Russian Federation has opened recently.

25. The Conference is invited to examine and analyse the following key recommendations for debate at the council:

- FAO Management expects to expand the Budapest office in its role as the Shared Services Centre and also maintain it as the base for the Regional Office. At the same time, it is expected that the new Partnership and Liaison offices, the Sub-regional Office for Central Asia and the country offices in the region will evolve quickly over the next several years. It would be prudent to observe closely how this new configuration develops over the course of the next biennium and incorporate this experience and lessons learned after that, including in relation to REU and SEC.
- Consider moving the subregional office from Ankara to Istanbul, while keeping one officer in Ankara for liaison with the Turkish government, recognizing Istanbul's role as a transportation hub and seeing what decisions other UN agencies take in this regard.
- Upgrade the Office in Uzbekistan to have an international FAO Representative.
- In anticipation of the selection of the FAOR and consolidation of the Partnership and Liaison Office in Kazakhstan, REU may consider outpostting at least one technical officer to that office in the next biennium. This office could help support FAO work in Central Asia.
- The Office in Moscow will liaise with the Eurasian Economic Commission (the executive branch of the Union, which includes the Russian Federation, Belarus, Kazakhstan, Armenia and Kyrgyzstan) and other regional organizations.
- Although the information offices are not covered in this report, it may be worth highlighting the set-up in Spain for possible replication in other European OECD countries. The Spanish Government provides an office and operating expenditures and a volunteer FAO "Special Representative" carries out liaison and communication activities through a "without compensation" contract.