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	منظمة الأغذية والزراعة للأمم المتحدة	联合国 粮食及 农业组织	Food and Agriculture Organization of the United Nations	Organisation des Nations Unies pour l'alimentation et l'agriculture	Продовольственная и сельскохозяйственная организация Объединенных Наций	Organización de las Naciones Unidas para la Alimentación y la Agricultura
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COUNCIL

Hundred and Forty-third Session

Rome, 28 November - 2 December 2011

Progress Report on the Immediate Plan of Action Implementation

Executive Summary

- This document reports on progress with implementation of the Immediate Plan of Action (IPA) in the second half of 2011, updating the information presented in July 2011 to the 37th FAO Conference on achievements and benefits, quantitative progress, change management and financial performance. A more in-depth assessment of the contributions to be made to the reform vision by the major IPA actions, the risks associated with these major actions, and the progress towards reform benefits realization as of end-2011, will be provided in early 2012.
- Recognizing that the Organization is approaching the end of the third year of IPA implementation, key achievements are reported in the context of the vision and anticipated benefits of the reform as reported to Council in November 2010 in document CL140/14:
 - *direct all actions towards clearly defined outcomes for a world free of hunger and contribute to improving living standards in a sustainable manner. It will achieve this through improved governance to ensure clarity of member needs and improved internal management practices to deliver against those needs;*
 - *ensure that all its resources, at all geographic locations, work in synergy and in productive partnership with external partners, to achieve the greatest impact;*
 - *have a balanced and motivated workforce working in an enabling environment with the necessary knowledge and experience to deliver better against its mandate;*
 - *benefit from support services that are client-oriented and streamlined and be able to provide timely and trusted financial and other resource information, in the most cost efficient manner.*
- Each element of this vision is linked to a thematic area, and to benefits to be delivered by its constituent IPA actions, and this report indicates the progress and achievements in each of these major actions.
- The integrated IPA programme comprises 272 actions of which 143 had been completed by the end of 2010, leaving 129 open actions at the beginning of 2011. During 2011 further good progress has been achieved and the quantitative summary of the status of IPA actions as at the end of October 2011 is provided at [Web Annex A](#) (CL 143/10 Web Annex). The 2011 annual report on IPA implementation will include a section on quantitative progress providing full details of all IPA actions, on an IPA action by IPA action basis, indicating those completed and those in progress.

- Management confirms the estimate of approximately 20% of total IPA actions carrying forward to 2012-13. However, this represents 40% in terms of outstanding effort, time and cost, because many of the actions in the 2010-11 programme are large and complex actions that will continue into 2012-13. Successful delivery represents a considerable management task taking into account the complexity, challenges and dependencies with other IPA projects. These actions also carry the highest level of risk and have the potential to contribute most to the vision and benefits of the FAO reform. Key success factors that are being actively monitored and progressed by Management include risk, benefits' realization and communications.
- In terms of risk, Management has identified 27 key IPA actions that will deliver some of the most significant benefits of the FAO reform, but also carry many of the major risks. These 27 actions are being subject to a risk re-basing, whereby the existing risks are not simply updated, but the process of risk identification is repeated, to produce a comprehensive set of risks against which mitigating actions are developed. The results of this will be reported in the next IPA progress report.
- In terms of benefits' realization, Management has drawn the distinction in previous reports between completing an IPA action (ticking the box) and ensuring full realization of benefits. A corporate change management review has been commissioned through the Office of the Inspector General to advise Management on the steps necessary to maximise the benefits of the FAO reform. The assignment started in October 2011 and is scheduled to complete by December 2011.
- In terms of communications, this report provides the results of the first ever Employee Survey and the actions being taken by Management in response to the survey results. These results have been communicated to all employees and a set of corporate actions agreed, with actions at the departmental/regional office level in process at the time of this report.
- In addition to written communications by email and through the FAO Intranet, informal communications have been facilitated through a series of face-to-face "coffee morning" sessions with employees at headquarters and in decentralized offices by the IPA Programme Board. This is ongoing, and participants are reporting a better understanding of the renewal process and an appreciation of the opportunity to speak directly with managers on the changes being made.
- In financial terms, the gross IPA budget for 2011 was USD 28.93 million and, as at the end of September 2011, IPA expenditure (recorded expenditures and commitments) total USD 18.76 million leaving a balance of USD 10.17 million to be expended during the remainder of 2011.
- On the basis of discussions with IPA project leaders and a review of the work plans in place, an unspent balance of approximately USD 3.5 million is projected at the end of 2011 consisting of both recurrent IPA costs and one-time investment costs. The 37th session of the FAO Conference authorized the use of any unspent balance of the 2010-11 appropriation for full implementation of the IPA, including one-time IPA investment costs incurred during the 2012-13 financial period¹.
- A full financial report for 2010 and 2011 will be provided in the 2011 Annual IPA progress report which will be presented to the Governing Bodies in 2012.

Suggested action by the Programme and Finance Committees and Council

- The Programme Committee is requested to review progress on programme planning and priority setting (paragraphs 18, 20, 21) and evaluation (paragraph 66);

¹ C 2011/REP – Resolution 5/2011 Budgetary Appropriations 2012-13, Item 2

- The Finance Committee is requested to review progress on enterprise risk management (paragraph 25); human resources (paragraphs 31-40); reform of administrative and management systems (paragraphs 41-53); audit (paragraph 65); organizational change management (paragraphs 74-83); and IPA funding and expenditure (paragraphs 102-109).
- The Joint Meeting is requested to review progress on the achievements and benefits (paragraphs 10-13), managing for results (paragraphs 14-25), functioning as one (paragraphs 26-30), culture change (paragraphs 54-59), and effective governance and oversight (paragraphs 60-68); quantitative progress (paragraphs 69-73); and communications and engagement (paragraphs 84-101).
- The Council is requested to take note of the information provided in document CL 143/10 and the review of the Programme and Finance Committees, and provide such guidance thereon as deemed appropriate.

Queries on the substantive content of this document may be addressed to:

David Benfield

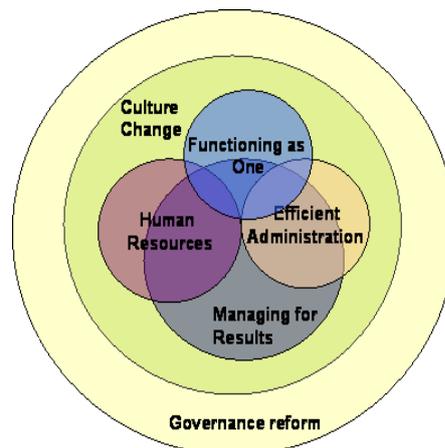
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I. Introduction

1. This report provides updates on progress with implementation of the Immediate Plan of Action (IPA) for FAO Renewal for the four-month period June through September 2011 in order to assist Members in their oversight and monitoring responsibilities. The previous progress report was presented in June-July 2011 to the 37th session of FAO Conference through document C 2011/7 covering progress in implementation, and discussion on IPA related matters by governing bodies, up until May 2011.
2. The first IPA progress report of 2012 will be an annual report that will cover progress in IPA implementation for the year 2011. As requested by Members, the annual report will provide full details of all IPA actions, indicating those completed and those in progress at the end of 2011. It will indicate, for all IPA actions in progress, whether there are any delays and, if so, whether these are of a minor or major nature. The annual report will also provide full information on IPA financials as at year end 2011, with details on all key aspects of financial progress.
3. However, it is recognized that the Organization is approaching the end of the third year of IPA implementation, and this report considers progress in the context of the vision of the reform and anticipated benefits, and also projects a 2011 year-end situation in terms of quantitative progress and the financial status of IPA implementation. The first IPA progress report of 2012 will report on progress in IPA implementation for the entire year of 2011, and modify, as appropriate, the projected quantitative and financial information provided in this report.
4. This report is presented as a Council document in compliance with Conference Resolution 6/2011, but is also addressed to the Members of the Finance and Programme Committees and their Joint Meeting during November 2011. This is to allow Members of the Council to receive and consider the technical advice of the Finance and Programme Committees through their reports to the 143rd Council session.
5. As is customary for progress reports on IPA implementation, the information provided in this report is structured around the six thematic areas that are shaping the reformed FAO and depicted in Figure 1 below.

Figure 1 – Schematic of elements of FAO Reform



6. The report comprises five sections. **Section II, *Achievements and Benefits***, provides a more qualitative assessment of progress during this four-month reporting period in the context of the vision of FAO reform. It is structured by thematic area and describes the key benefits anticipated from IPA implementation and the progress that has been, and is being, made towards achieving those benefits through the planned milestones achieved during the summer period.
7. **Section III, *Quantitative Progress***, provides highlights of a quantitative nature informing Members of the actions completed as at October 2011 and of those that are scheduled to complete by the end of the year, as per IPA Project leaders assessments. The 2011 Annual report on IPA

implementation, which will be presented to governing bodies in 2012, will update project leaders estimates with a full picture of IPA progress during the year.

8. As IPA implementation progresses, Members and Management have focused increased attention on the challenges and risks of the IPA programme and to the mismatch that often occurs between stakeholder expectations of immediate performance improvements resulting from major change initiatives, and the timeframe typically required to move from the early “disruption” stage to the mature stage at which major and lasting benefits can be achieved. **Section IV, *Organizational Change Management***, provides updates on the risk management, communication and engagement activities that underpin successful change management of complex organizational change programmes. This section also updates Members on the full results of the employee survey and the follow-up actions that are resulting from it.

9. The IPA programme is a five-year programme 2009 - 2013. Successful delivery of the IPA requires substantive progress within a framework of good financial monitoring, and **Section V, *IPA Funding and Expenditure***, provides an update on financial aspects of the IPA programme as at the end of September 2011.

II. Achievements and Benefits

10. Although this is a four months’ update since the 37th session of FAO Conference, it is recognized that the Organization is approaching the end of the third year of IPA implementation, and this report steps back and considers the vision of the reform and the anticipated benefits, and the progress that has been, and is being made towards achieving those benefits.

11. The vision and overall benefits of FAO reform were reported to the CoC-IEE at its 20 October 2010 meeting² and to the 140th Session of Council (November-December 2010) in document [CL 140/14](#). This document indicated that a reformed FAO will:

- *direct all actions towards clearly defined outcomes for a world free of hunger and contribute to improving living standards in a sustainable manner. It will achieve this through improved governance to ensure clarity of member needs and improved internal management practices to deliver against those needs;*
- *ensure that all its resources, at all geographic locations, work in synergy and in productive partnership with external partners, to achieve the greatest impact;*
- *have a balanced and motivated workforce working in an enabling environment with the necessary knowledge and experience to deliver better against its mandate;*
- *benefit from support services that are client-oriented and streamlined and be able to provide timely and trusted financial and other resource information, in the most cost efficient manner.*

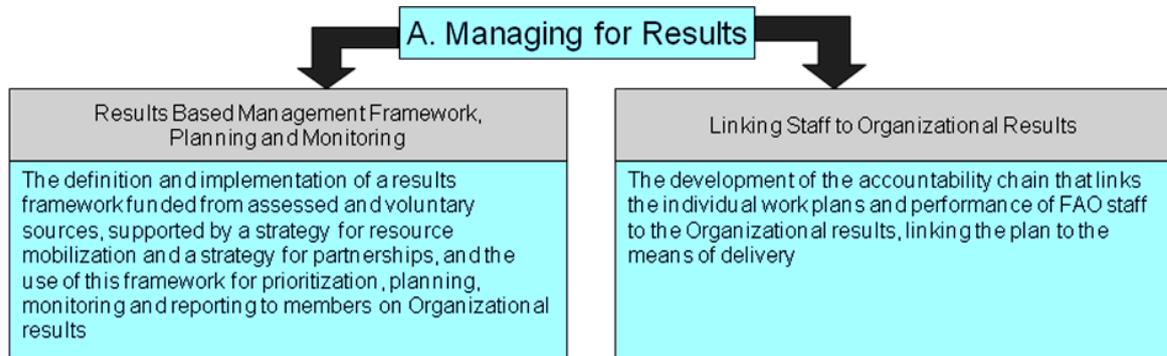
12. Each element of the vision of reform is linked to a thematic area and to major IPA actions. The following paragraphs indicate progress being made in each thematic areas and in the constituent major actions in terms of planned milestones and related achievements. Where relevant, this section also makes reference, and provides links, to any substantive documentation relevant to IPA-related topics presented to the Finance and Programme Committees and their Joint Meeting at their October 2011 session.

13. The first IPA progress report of 2012 will provide a full report on IPA progress as at the end of December 2011, providing a more in-depth assessment of the contributions to be made to the reform vision by the major actions, the risks associated with these major actions, and the progress towards reform benefits realization.

² Link to main paper: <http://www.fao.org/docrep/meeting/023/K9238E.pdf>

Managing for results

14. The key benefit of managing for results is a clearly defined, consensually agreed impact of the Organization on beneficiaries, and measurable means to achieve it. The overarching objective of FAO reform is to transform the Organization into one that manages for results. This requires successful completion of two elements: the clear articulation of Members' objectives and, within this context, the design and delivery of measurable results with clear impact.



15. In order to accomplish a clearly defined, consensually agreed impact of the Organization on beneficiaries, and measurable means to achieve it, FAO's work under all sources of funds must be systematically planned, implemented, measured and monitored using *results-based management (RBM) framework* and principles, including a strategy to mobilize, allocate and manage resources from partners for agreed priorities. Updates on progress in achieving these benefits through implementation of IPA actions in the three projects included in this thematic area are reported in the following paragraphs.

16. Whilst work is ongoing to fully implement the planning, prioritization and resource mobilization process, many benefits will materialize only after the results-based frameworks have been in place for the four-year period of the Medium Term Plan (MTP), allowing for monitoring and reporting on the agreed upon indicators of achievement.

17. With regard to *Reform of Programme, Budgeting and Results Based Management*, on the basis of the guidance received throughout 2010 and early 2011, Management prepared the MTP 2010-13 (*Reviewed*) / PWB 2012-13, which was considered by the Programme and Finance Committees and Council in March-April 2011, and approved by the Conference in June-July 2011. In line with the new cycle of programming and budgeting, the PWB 2012-13 has been adjusted based on the decision of Conference in July, for review and approval by the Programme and Finance Committees and Council in November-December 2011.

18. All FAO departments and offices have prepared work plans for 2012-13 through an improved process that enhances multi-disciplinary collaboration and provides stronger causal linkage of work plans to the Organizational Results through the introduction of cross-cutting "Organizational Outputs" to replace the previous approach of "Unit Results".

19. The introduction of PEMS across the Organization serves the purpose of *Linking Staff to Organizational Results*. It supports the objective of improving accountability and performance across FAO as it allows managers and staff to account for results and the achievement of performance standards defined in the competency framework. It also strengthens links between the work plans and performance of individuals and overall FAO Organizational Results, and fosters a better understanding of managers and their staff of the relevance of individual contributions to the work of the Organization. The Human Resources section of this report provides updates on achievements in PEMS implementation.

20. Some progress was achieved on prioritization of technical work in 2010-11, during which Management supported discussions by the Technical Committees, Regional Conferences, Programme Committee and Council. On an overall basis, given the new governance arrangements and the newly established results-based framework, Management and Members agreed that the

application of the new approach was still “work-in-progress” and that further improvements in the 2014-15 planning cycle would be implemented. The Programme and Finance Committees will consider the process for reviewing the Strategic Framework and preparing the MTP 2014-17 at their Joint Meeting in November 2011, in line with the new cycle of programming and budgeting.

21. The Programme Committee reviewed at its 108th session in October 2011 a paper ([PC 108/2](#)) on *Country Programming Guidelines*, which focused on the principles and policies that guide the FAO country programming process and the main benefits, calling attention to the need for Members’ engagement. The Programme Committee guidance is reported to the 143rd session of the Council.

22. With reference to the *Resource Mobilization and Management Strategy*, a corporate resource mobilization Web site has been published, while the Agricultural Development Assistance Mapping (ADAM) Tool continued its development to include a user-friendly interface in view of the upcoming launch. The development of ADAM allows headquarters and decentralized offices to map resource partner priorities against country priorities in order to enhance efforts for resource mobilization.

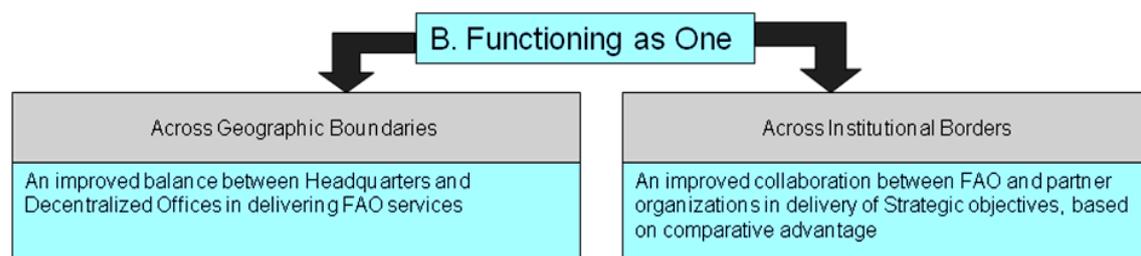
23. The full corporate Resource Mobilization and Management Strategy and Work Plan has been prepared in consultation with representatives of stakeholders throughout the Organization, and have been submitted in document [JM 2011.2/4](#) to the October 2011 Joint Meeting of the Programme and Finance Committees.

24. A communication plan for the refinement of the Impact Focus Areas has been developed. Efforts are being undertaken to increase capacity development for resource mobilization at the decentralized levels, with regional and subregional strategies being prepared, as well as the dissemination of a training module. A pilot training module conducted in Accra as part of an integrated approach to “Effective Country Programming” was successfully conducted to test the curriculum and material developed. Participants, including Assistant FAORs, expressed great satisfaction with the course, having expanded their scope of knowledge, related to resource mobilization planning and execution. A transparent mechanism for the allocation of voluntary contributions is in its final stages of finalization.

25. Awareness of the importance and benefits of risk management has increased within FAO, as has the appetite to apply it in practice, as a result of risk assessment processes across the FAO functional, organizational and strategic framework. The Enterprise Risk Management (ERM) project team has finalised the draft ERM policy and facilitated risk assessment processes. Forms-based (i.e. non-facilitated) assessment processes have been defined, documented, and are being piloted, to provide flexibility to the ERM team in carrying out its functions. Work has started on building a substantial initial base-line of risk across the Organization, covering headquarters and the field, as a fundamental step towards managing the risks the Organization face at a corporate level.

Functioning as One

26. The key benefit of Functioning as One is that all the resources of the Organization at all geographic locations work in synergy and complementarity *Across Geographic Boundaries* to achieve Organizational Results while assuring that those results make an optimal contribution to Members’ priorities at (sub)regional and country levels. Synergies are also achieved *Across Institutional Borders* with external partner organizations, based on comparative advantage.



27. With reference to IPA actions looking *Across Geographic Boundaries*, Management has presented to the October 2011 Joint Programme and Finance Committees meeting document [JM 2011.2/3](#), providing a follow-up on actions to address the gaps, challenges, risks and issues related to the Vision on Decentralization.

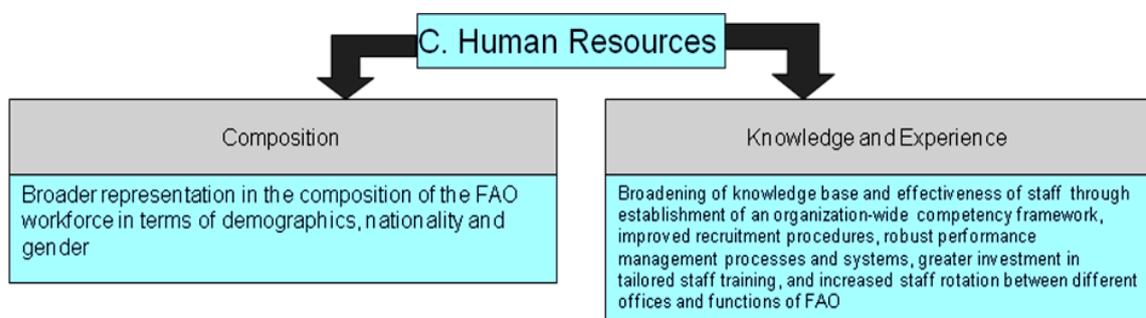
28. The new processes and procedures related to the decentralization of the management of the Technical Cooperation Programme (TCP), launched in January 2010, have been mainstreamed and are being applied with increasing familiarity by the Organization's decentralized offices. After a slow start in early 2010, the formulation and approval of TCP projects has accelerated and the foreseen reduction in the time lag between the submissions of requests by Member countries for assistance and the approval of projects has been achieved.

29. At the same time, the increased involvement of the in-country FAO staff in the formulation process has improved the possibility to liaise more directly with recipient institutions and other national stakeholders to define their assistance needs more precisely. While the recipient governments thus benefit from TCP assistance in a more timely manner, the projects will also increasingly respond with greater accuracy to their development priorities. A Progress report on implementation of TCP has been presented to the October 2011 Joint Meeting of the Programme and Finance Committees in document [JM 2011.2/6](#).

30. With reference to IPA actions looking *Across Institutional Borders*, Members of the Programme and Finance Committees have reviewed at the Joint Meeting in October 2011 a progress report on the FAO strategy on partnership with the private sector ([JM 2011.2/5](#)). The draft strategy takes into account Members' recommendations, as well as the results of wide-ranging internal consultation within FAO and the views of the Partnerships Committee, chaired by the Director-General. Elements of the draft strategy are already being implemented and operational, such as the due diligence process for review of prospective private sector partnerships by FAO. The FAO Private Sector Strategy will be complemented by an Implementation Plan and agenda for action for multifaceted engagement with private sector.

Human Resources

31. The key benefit of Human Resources is to ensure an enabled, effective and motivated workforce better able to deliver FAO's mandate. Achieving benefits under this area entails that the Human Resources *Composition* must be balanced in its demographics, nationality and gender, and its *Knowledge and Experience* must be broadened and targeted to achieve agreed organizational results.



32. The work undertaken on the Junior Professional Programme (JPP) serves the benefits on improved demographic *Composition* with an expected benefit of rejuvenation of FAO's workforce by recruiting younger professionals from non- and under-represented developing countries and with priority to addressing gender imbalance, as also deriving from the improved statistics resulting from the implementation of new selection procedures.

33. The benefits of improved *Knowledge and Experience* are supported by increases in resources allocated to staff training, especially management training. This will be reinforced by completing work on the competency framework, improving recruitment procedures, introducing

robust performance management processes and systems, and in increased staff rotation between different offices and functions of FAO.

34. The Human Resources area includes several of key IPA achievements for the reporting period, made within the context of the “HR Strategic Framework and Action Plan”. This establishes the strategic objective and vision for the HR function and serves as a plan of action for IPA implementation. The document presented to the 140th Session of the Finance Committee, [FC 140/11](#), includes a specific section on achievements and benefits relating to the five IPA projects³ and related actions within this thematic area. Highlights of these are provided in the following paragraphs.

35. The selection process for the first cohort of Junior Professionals under the Junior Professionals Programme was completed and the cohort joined FAO in July 2011, attended orientation training in headquarters, and are now working with their assigned host divisions/offices.

36. The current reporting period also saw the steady growth of mobile assignments under the interim mobility guidelines. Approximately 80 regular programme positions are currently included in the compendium and nearly 90 staff members are registered on the roster. As of end July 2011, 91 geographical moves have been processed since the start of the biennium, of which 65 are between regular programme posts and 26 between project funded posts. Active measures have been undertaken, and an extensive communication campaign continues to increase interest in this programme and ensure that the target of 100 managed geographical assignments for the 2010-2011 biennium are met.

37. The corporate Mobility Policy is still expected to be in place by the end of 2011. The draft is now going through the normal consultative process and discussions are ongoing, particularly with the Staff Representative Bodies. In line with the guidance provided by the Conference during its 37th Session, the policy reflects a more mandatory approach to mobility, focusing on specific job families where mobility is considered to be core to the needs of the Organization.

38. Full analysis has been prepared on the 2010 PEMS Cycle and on the feedback collected from staff, now mid-way through the 2011 PEMS Cycle and participation rates have met established targets. Nearly all staff members have received basic PEMS training and individual support in the preparation of their PEMS.

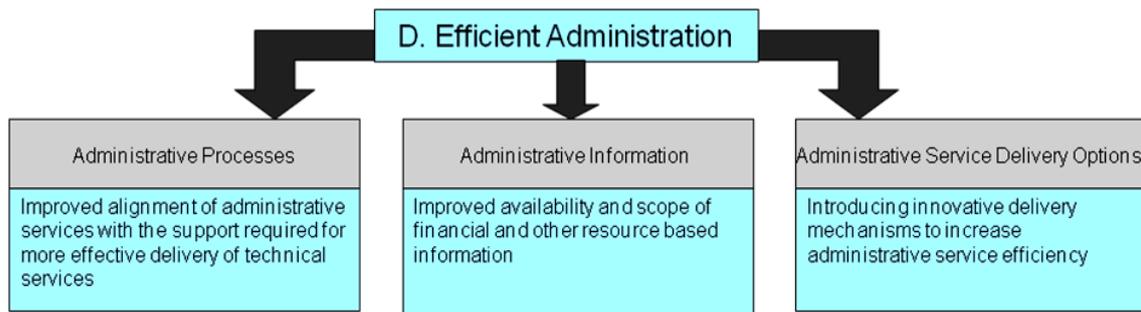
39. The Competency Framework project is confirmed on track to deliver a framework by the end of 2011. A first draft has been produced and has been circulated to relevant stakeholders, whose feedback is being used to refine the framework before entering into the final validation phase.

40. New selection procedures have been implemented, which uphold the necessity to select the most qualified candidates while paying due attention to gender and geographic representation. As a result, FAO has achieved its gender/geographic targets for 2011: as at 30 June 2011, the proportion of women has reached 36% in the Professional category and 22% in the Director-level category. During the same period, the proportion of equitably-represented countries has increased from 61% to 65%, and that of nationals from over-represented countries has drastically dropped from 37% to only 18%.

Reform of administrative and management systems - efficient administration

41. The key benefit of Reform of administrative and management systems is a better delivery of FAO’s technical services through client-oriented and streamlined administrative processes, improved value and relevance of financial and other resource information, and innovative administrative service delivery options.

³ Project 10: Headquarters Structure; 24: PEMS; 25 Competency Framework; 26 Mobility, and 27: Other HR actions.



42. To deliver this organizational benefit, successful delivery must be ensured on three areas. There must be efficient *Administrative processes*, through an improved alignment of administrative services with the support required for more effective delivery of technical services, the *Administrative information* must ensure an improved availability and scope of financial and other resource-based information, and the *Administrative service delivery options* must introduce innovative delivery mechanisms to increase administrative service efficiency.

43. This thematic area brings together the highest number of large and complex projects in the IPA programme, but it also includes projects that consist of discrete actions which have successfully reached the end of their implementation timeline.

44. With reference to the IPSAS/Oracle Release 12 project, the high-level design phase of the programme has been completed, producing documents which describe, at a high-level, the process and system solutions which could be implemented by the programme. These are required as the base from which to decide what the programme's detailed scope will be. Also planning activities have been completed for the "detailed design" phase of the programme, and required resources have been mobilised.

45. The IPSAS/Oracle Release 12 project has been in contact with the Enterprise Risk Management (ERM) team, and has aligned its risk management methods and practices to the ERM framework. A contingency plan to manage potential increases to the programme's risk profile has been defined. It includes re-planning of activities to introduce new functionalities over multiple releases while meeting the goals of introducing IPSAS compliant systems in 2012, and of producing IPSAS compliant financial reports for 2013. A progress report providing further details on this project has been presented to the 140th session of the Finance Committee under document [FC 140/12](#).

46. Information Technology achievements for the four-month reporting period include major network capacity upgrades in 14 country offices (COs) striving towards enabling decentralized offices (DOs) to have improved access to corporate systems and tools. A further 30 COs had their public Internet connection upgraded to provide faster access from DOs to a wide range of new-generation applications which are more bandwidth demanding, such as videoconferencing, knowledge sharing and collaboration tools. Video conference facilities are now available in eight more countries in support of enhanced inter-office communications.

47. An ICT Global Support Model is being built for FAO staff to have access to timely ICT support regardless of geographical location, time-zone and language. Three of the five regional support hubs have been set up and are fully operational in the Latin America and the Caribbean, Asia and Pacific, and Africa regions.

48. With the issuance of Director-General Bulletin 2011/40 on "Information Technology and Knowledge Management Governance and Information Technology Strategy", the new IT and KM Governance arrangements were announced in July 2011 and the implementation of the new governance structures is progressing. Awareness materials have been produced and consultation meetings have begun in September 2011 to bring about organizational understanding of the new IT and KM governance structure and objectives and to refine the working level processes for all stakeholders involved in IT and KM activities.

49. Important achievements have been made by the Procurement project that has marked “complete” the implementation of IPA action 3.38 with the implementation on 1 July 2011 of Manual Section 507 on Letters of Agreement (LoAs). This provides for the first time a clear accountability framework for the preparation, quality assurance, approval and management of LoAs. The new Manual Section increases delegation of authority on LoAs to DOs to the same level of that of direct procurement, and also provides a framework to allow for re-delegation. A comprehensive training programme will be rolled out to DOs following a train-the-trainer approach. In addition, IPA action 7.7 “Develop the registered vendors management towards an active suppliers management (partnership principles)” has also successfully completed implementation in line with the foreseen end-date of June 2011 and the new processes are being integrated in the day-to-day work of the Organization and included in the IPSAS implementation.

50. Three additional international procurement officers have been posted in countries where FAO undertakes significant amounts of procurement for emergency projects, i.e. Haiti, Pakistan and Chad, in addition to those posts already in Sudan, Somalia and Democratic Republic of Congo. Furthermore, an international procurement officer has also been recruited for Bangladesh to support a large World Bank programme implemented by FAO in the country. This brings the number of international procurement officers in the field to double the number located at headquarters.

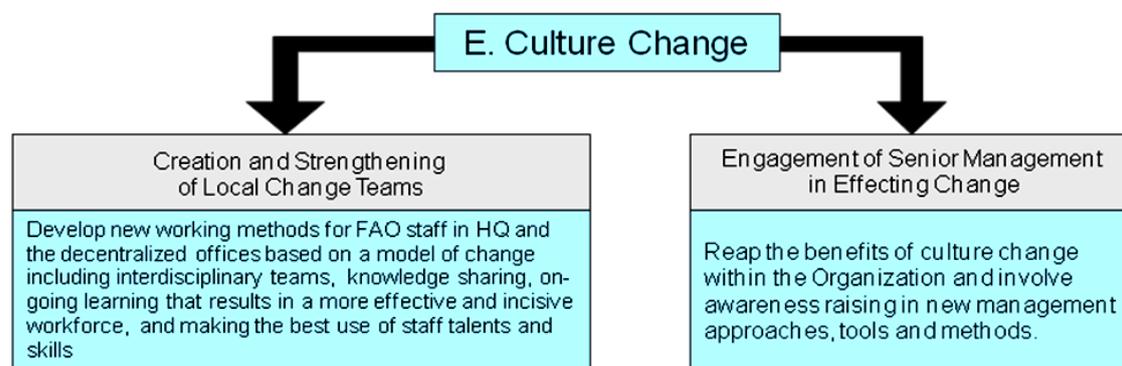
51. For the Records Management Modernization Project, new policies for records management have been drafted, the new procedures and technology designed and being tested in a pilot implementation. Furthermore, the restructuring of registry staff has been approved and implementation is under way, including 2010-2011 post reductions.

52. The project charged with improving processes and procedures in printing and distribution (action 7.17) has successfully completed the merging of the related groups (External and Internal Printing and Distribution). The new mailing system has been deployed and is being further developed to add new functionalities for divisional access. Several other activities are also being undertaken to continuously improve implementation of new procedures and identification of streamlining projects. These activities have resulted in almost USD 20,000 savings during the second quarter 2011.

53. The FAO Manual project has defined a Project Board and has set up an Advisory Group essential for the development of the new structure of the Manual. Selected pilot sections have been rewritten and reviewed in plainer language. A strong network with other UN agencies has been established allowing FAO to make sure that the technologies, structures and approach are in line with other UN agencies, thereby contributing to future synergies and the adoption of best practices.

Culture Change

54. The key benefit of Culture Change is an enabling, inclusive work environment, based on FAO’s internal vision and values which allows the Organization to better deliver on its mandate and optimizes the talents of its employees.



55. The *Engagement of Senior management in effecting change* will involve awareness raising in new management approaches, tools and methods, thereby contributing to new modernized management practices and, ultimately, a more efficient and effective Organization. The *Creation*

and strengthening of local change teams develops new working methods for FAO staff at headquarters and DOs based on a model of change including interdisciplinary teams, knowledge sharing and ongoing learning.

56. The FAO Culture Change Strategy and Plan of Action, providing a framework for culture change for the Organization, was approved by FAO senior management and presented to the Programme and Policy Advisory Board (PPAB), chaired by the Director-General. A similar presentation was made to FAO Regional Representatives and Subregional Coordinators present in Rome during the FAO Conference. A framework and action plan to improve team work and collaboration in FAO was presented and approved by the Deputy Director-General, Knowledge, who is the official sponsor for this area of culture change.

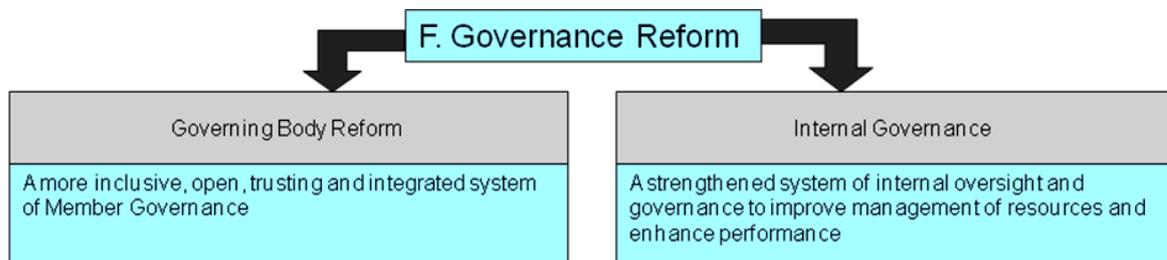
57. Additional local change teams have been established both at headquarters and in the field. The Culture Change Support Team has facilitated learning across these teams: a workshop was held bringing together members of the 22 Local Change Teams working around the world, giving them an opportunity to engage with each other and to exchange views and best practices. An electronic forum has also been created within the revised Culture Change Web site on the FAO Intranet to support further dialogue and knowledge exchange between them, overcoming the difficulties posed by great geographic distances and different time zones.

58. Terms of Reference have been drafted for the Local Culture Change Teams, for the notion of Change Agents, and for the concept of Change Sponsors. A draft framework for monitoring culture change has been developed, currently under review by FAO management with inputs of external monitoring/evaluation experts. A workshop was held in response to the FAO Staff Survey results, which has resulted in a draft proposal for actions at a corporate level in areas for which significant concern was expressed by FAO staff.

59. As a result of these achievements, FAO senior management and all staff at headquarters and worldwide are more informed, are beginning to understand their culture change roles more clearly, and are becoming more engaged in FAO Culture Change.

Effective governance and oversight

60. The key benefit of Effective Governance and Oversight is an improved articulation of Members' needs, higher levels of trust and continuity both among Members and between Members and Management, and improved internal management practices to better deliver Organizational Results.



61. In order to be fully successful, the process of reforming FAO must be underpinned by a strengthened governance in which the *Governing Body Reform* will result in a more inclusive, open and trusting system of Members' governance supported by *Internal governance* actions that will provide a strengthened system of internal oversight and governance to improve management of resources and enhance performance.

62. Several actions within project 1 *Governing Body Reform* have been marked complete during the reporting period and these relate to a large extent to the works of Conference which were successfully completed at the 37th session in June-July 2011. The Programme Committee has examined at its 108th Session ([PC 108/10](#)) an initial review of Statutory Bodies, focusing in particular on their reporting relationship with FAO. The Committee on Constitutional and Legal Matters (CCLM) has reviewed ([CCLM 93/4](#)) its Multi-year Programme of Work (MYPOW) and the Committee's deliberations are reported to the 143rd Session of the Council. Similarly, the

Committee on World Food Security (CFS) has reviewed its Results-based Framework at its 37th session (17-21 October 2011) with a view to preparing a more detailed MYPOW for submission to its 38th session in 2012.

63. Work is still undergoing on action 4.4 - “*Any changes found desirable in the size and regional representation in the membership of the Council and propose with advice from the CCLM any necessary changes in the Basic Texts to the 2009 Session of the Conference*”. As this action was not implemented in 2009 for lack of consensus, negotiations continued in 2010-11, but consensus could not be reached at the last Conference. Thus the matter is to be kept under review in the next biennium.

64. On *Internal Governance*, the work on action 7.25, and related project 11, is deemed to be completed as all internal committees have been reviewed and no further activities are expected under this action. The functioning and composition of internal committees have been reviewed with the objective of improving efficiency and integrating through streamlining and to ensure that their composition and methods of work reflected the new organizational structure.

65. The first biennial Risk-Based Audit Plan (RBAP) prepared by the Office of the Inspector General (AUD) is confirmed to be completed by 31 December 2011. The new methodology provides assurance that AUD prioritizes its audit activities according to the most significant risks of the Organization. IPA related areas so far covered or expected to be covered by end of 2011 include: enterprise risk management, results-based management internal control framework, decentralization, enterprise business continuity, IT governance, IT network security, professional recruitment, Technical Cooperation Programme and procurement. Also, updates of the risk information underlying the plans for the 2012-13 biennium will start drawing on the results of the Organization’s ERM assessments, now that these are becoming available.

66. Several Evaluation reports have been presented to the 108th Session of the Programme Committee, which also discussed the report presented by the Office of Evaluation on the implementation of the June 2007 Council decision regarding the inclusion of evaluation provisions in voluntary-funded projects and programmes ([PC 108/7](#)). Deliberations of the Programme Committee on the above matters are reported to the 143rd Session of the Council.

67. The CCLM at its 93rd session reviewed document [CCLM 93/3](#) “Appointment of External Members of the Ethics Committee”. The CCLM identified six criteria in the light of which nominations to the Committee would be examined. It also recommended that the Director-General should propose at least seven candidates for the three positions, i.e. one candidate from each of the FAO regions. Finally, it recommended that the proposals should be gender-balanced. On the same subject matter, the Report of the 140th Session of the Finance Committee to Council includes a recommendation as to the appointment of the three external Members.

68. In document [FC 140/14](#) the Finance Committee has reviewed the progress report on the Financial Disclosure Programme indicating, amongst others, that the Organization has already piloted the Financial Disclosure during 2011, with 60 staff members having submitted declarations which are being reviewed by an external reviewer.

III. Quantitative Progress

69. The integrated IPA programme comprises 272 actions of which 118 were completed by 31 December 2009, leaving 154 actions to be included in the 2010-11 IPA programme⁴. The 2011 Report to Conference indicated⁵ that of the 154 open actions, 25 were completed in 2010 leaving 129 open actions at the beginning of 2011. 102 of the 129 open actions were on track for delivery by the anticipated completion date, of which 74 were reporting to complete prior to end 2011 (see figure 2).

⁴ See Annex III of Progress Report on IPA Implementation presented to the CoC-IEE in April 2010 at <http://www.fao.org/docrep/meeting/023/K7607e.pdf>

⁵ C 2011/7, paras 13-15, Web Appendix 3.

Figure 2 – Rating of 2010-11 IPA actions in terms of progress as at 31 December, 2010

Category	Actions		Category description
Completed	25	16%	Implementation of the IPA action has been completed
On track	102	66%	Progress towards implementation of the IPA action is in accordance with the planned dates and impediments and risks are not expected to significantly affect progress
Minor delays	15	10%	Progress towards implementation of the IPA action by the planned dates is in jeopardy but action has been identified to overcome delays, impediments and risks
Major delays	0		Successful implementation of the IPA action by the planned dates is in serious jeopardy due to impediments or risks that are expected to significantly alter implementation
Other	12	8%	Continuous activity, activity not implementable or other status
Total	154	100%	

70. In this categorization of IPA action status, the categories of “Minor delay” and “Major delay” related to whether the planned completion dates were in jeopardy or serious jeopardy, rather than to the extent of the anticipated delay from the planned completion date. Management has considered this problem and developed a revised set of IPA statuses (see figure 3) that link “On track”, “Minor delay” and “Major delay” to the target completion date, with “Minor delay” relating to a revised completion date within six months of the planned completion date and “Major delay” relating to a revised completion date more than six months later than the planned completion date.

Figure 3 – Revised IPA action statuses

Category	Category description
On track	The IPA action is on track to complete within the target date
Minor delays	The IPA action will not complete by the target date and the delay is anticipated to be less than 6 months
Major delays	The IPA action will not complete by the target date and the delay is anticipated to be more than 6 months

71. The “Other” category was introduced by Management in 2010 to cater for 12 IPA actions for which the project leader encountered problems in assigning a status to the action. This was because the action was of a “continuous” nature, because there was no consensus amongst Members, because the action was scheduled to complete “beyond 2013”, or because the action is proposed for deletion, subject to Members’ approval. Management has eliminated the “Other” status and requested project leaders to conform with the three time-related statuses, adding a qualifier and project leader comments to supplement the status by adding reasons for anticipated delays.

72. During 2011 further good progress has been achieved and Management confirms the estimate of approximately 20% of total IPA actions carrying forward to 2012-13. This represents 40% in terms of outstanding effort, time and cost, because many of the actions in the 2010-11 programme are large and complex actions that will continue into 2012-13. Successful delivery represents a major management task taking into account the complexity, challenges and dependencies with other IPA projects. These are also the actions that carry the most significant risk, and that have the potential to contribute most to the vision and benefits of the FAO reform.

73. The summary of IPA action status against the revised statuses, together with a projection, estimated as at end October 2011, of the quantitative situation as at the end of 2011, is provided at [Web Annex A](#). The 2011 annual report on IPA implementation will include a section on quantitative progress providing full details of all IPA actions, on an IPA action by IPA action basis, indicating those completed and those in progress.

IV. Organizational Change Management

74. In their report to the 37th session of Conference, the CoC-IEE and Management highlighted the relevance of organizational change management processes to adequately address effects and challenges on organizational performance of major change programmes such as the FAO reform and the IPA. These were summarized to Members through the “J-Curve” and its implications⁶.

75. Effective risk management, staff engagement and effective communication are the main change management processes required to minimize the period of disruption, reduce short-term adverse impact on performance and achieve the tangible benefits that the IPA programme sets to achieve. Several accomplishments have been realized in all these areas and are elaborated in the paragraphs that follow.

Risk management

76. The IPA Board and Programme Management Unit (PMU) has prioritized its attention on risk management to programmatic areas and those relating to the largest, most difficult IPA projects, carrying a significant percentage of IPA funding, and expected to extend through the 2012-13 biennium and to deliver the most significant benefits of the FAO reform.

77. The report to Conference indicated⁷ that the IPA Board was reviewing the current aggregation of IPA actions into 16 projects to determine whether a further breakdown would be more appropriate. The IPA Board determined that projects should identify discrete areas of work with clearly defined scope rather than a grouping of areas to be managed by one project leader. The number of projects has therefore been extended to 29 (see Annex 1) and to a large extent reflects the structure utilized for the purposes of the risk assessment undertaken in late 2010.

78. At the time of preparing the progress report on IPA implementation to the 2011 Conference, the IPA Board was also concentrating its attention on introducing adequate project management standards across the IPA programme. The IPA Board followed the criteria of importance (as regards funding and expected benefits), risk and timeline (projects extending through 2012-13), and identified 27 key actions for which Project leaders are requested to provide a higher level of regular reporting covering key project management information.

79. This process has now been completed and project leaders are liaising with, and regularly reporting in greater detail, to the PMU on several aspects such as expected benefits, major activities, milestones, key financial information (budget, expenditure profile, savings) and risks. Annex 2 provides the list of the 27 actions referred to above.

80. Clarity of implementation strategy and attention to the future are also of highest consideration by the IPA Board which, through the Office of the Inspector General, has commissioned an advisory assignment aimed at supporting the IPA implementation strategy over the coming biennium. The assignment is being undertaken by the consulting firm Mannet that has very broad change management experience within the UN system and has already gained sound knowledge of FAO through past assignments.

81. The expected result of this assignment is a forward-looking, corporate change management review aimed at building on the progress that has already been achieved in IPA implementation and supporting senior management with a proactive approach which will maximise the benefits of the

⁶ C 2011/7: paras 14-15; paras 42-56, Appendix 3 and paras 67-71, Web Appendix 3.

⁷ C 2011/7, para 103, Web Appendix 3.

FAO reform. The assignment has started in October 2011 and a report is expected to be delivered by late December 2011.

82. As anticipated in the report to the 2011 Conference, during this reporting period the PMU has completed the review of project risks highlighted in the risk assessment report and reported its findings to the IPA Board. The review has confirmed the pattern already identified⁸ for the IPA projects with the highest number of red⁹ risks. As a result of discussions with project leaders and the mitigating measures introduced, the number of risks has reduced compared to the original risk assessment report and the criticality of risks has also reduced through a favourable change in profile of red, amber and green rated risks.

83. In accordance with best practice standards, the IPA Board has also decided to initiate a risk re-basing, whereby risk logs are not simply updated, but the process of risk identification is repeated for the 27 actions now subject to more detailed reporting as indicated above. This action started in early October 2011 whereby the PMU has partnered with the ERM team, taking advantage of the methodology introduced and of the resources made available through risk assessments performed across the Organization. The PMU participates to the risk re-basing sessions and will monitor risk logs management and implementation of mitigating actions by project leaders using the ERM methodology being introduced in the Organization. The IPA Board and the PMU team will also undertake an assessment of programmatic risks and develop corporate mitigating actions. Management expects to report results in the 2011 annual report on IPA implementation to be presented for review by the governing bodies in 2012.

Communications and engagement

84. Employee communication and engagement is a major component of Organizational Change Management for the IPA. As reported to Conference¹⁰ the Organization has developed a communication programme based on the new results-based management framework to support employee alignment with a reformed FAO which is depicted in Figure 4 below.

Figure 4 – Communication and Engagement Framework



85. As reported to Conference¹¹ the programme is divided into three main areas: (i) *Listening to you* comprising activities designed to understand the changing knowledge, attitudes and readiness for change amongst employees; (ii) *Keeping you informed* to reach employees with targeted communication, rather than passive information placed on a Web site; and (iii) *Working together* to emphasize dialogue and joint problem-solving across the Organization as a mean for lasting organizational change.

⁸ C 2011/7, paras 118-120.

⁹ The Risk Assessment rated risks in terms of the projected impact should the risk occur, and the likelihood of the risk happening. Risks were color coded from higher-rated (red) to lower-rated (green) based on a combination of these factors.

¹⁰ C2011/7, para 121, Web Appendix .3

¹¹ C2011/7, paras, 123-124 Web Appendix 3.

86. A fundamental activity of the first element of the programme *Listening to you* saw the launch of FAO's first all employee survey on FAO Renewal. As previously reported the survey was launched by the Director-General on 18 January 2011 and it provides internal and external benchmarks for monitoring renewal progress over the coming years.

Survey results

87. The survey received a 77% response rate. The 'high-level' results were initially reported to Conference¹² and further results are available below. The survey measured employees' opinion on four performance areas: progress on renewal; renewal communication; employee engagement; and employee enablement.

88. In summary, regarding progress on renewal, the results show that 88% of FAO employees "believe the process of Reform in FAO is necessary" and approximately 3 out of 4 are positive that renewal will "help FAO deliver better results and services to FAO Members." FAO Renewal is part way through and already some employees are beginning to be aware of, impacted by, and see the benefits of the major IPA actions. There is a strong appetite for change, and more than half of employees considers the pace of change in FAO too slow. Employees expressed low levels of understanding regarding the outcomes of FAO renewal and the renewal benefits.

89. In terms of overall employees' effectiveness, FAO is in line with external benchmarks in both the private and 'not-for profit' sectors though it aspires to become a 'high-performing' Organization. A notable area where FAO scored lower than the external benchmark relates to FAO having a work culture that supports and encourages hearing employees' views before decisions are made (-23 points below external benchmark)¹³.

90. Results indicate that FAO has healthy levels of employee engagement: employees are aware of, and support the goals, vision and values of FAO and 83% said they are "proud to work for FAO".

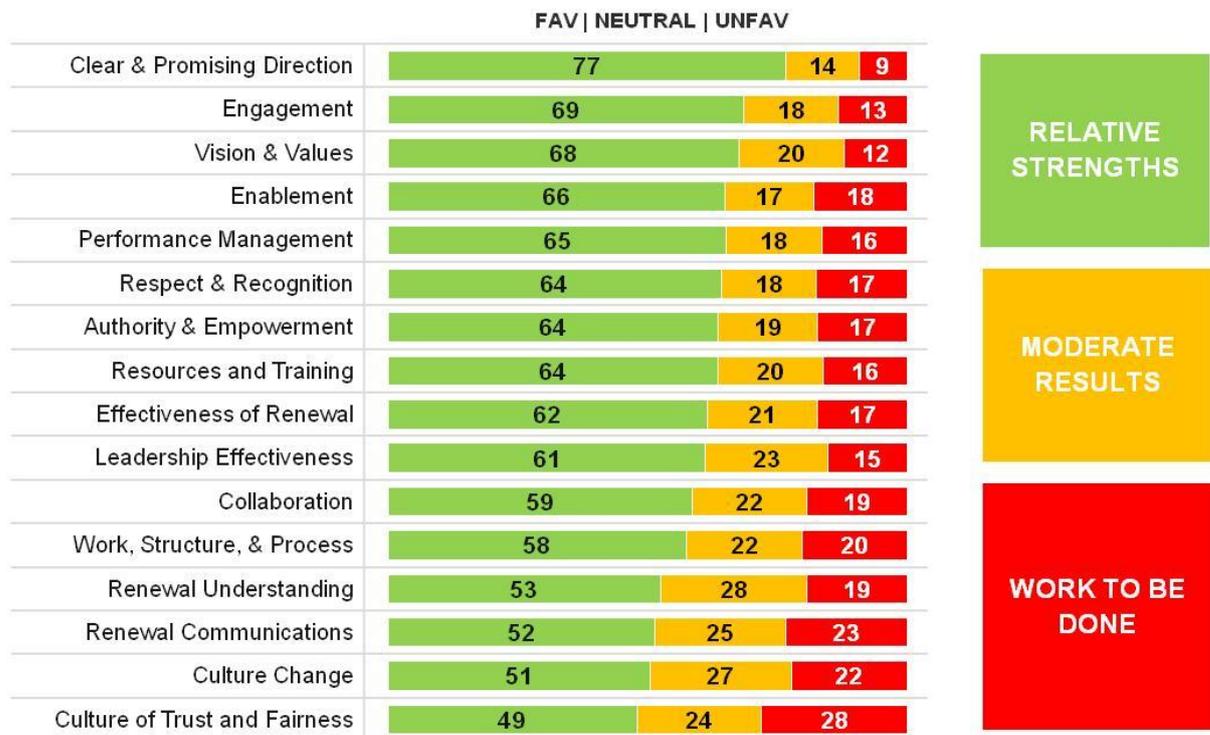
91. Employees' enablement is also strong with employees feeling well matched to their roles, although only 54% indicated that "there are no barriers to the doing their job well". Whilst employees noted good teamwork within their immediate work group, there is room for improvement in working across units and receiving high-quality support from other parts of the Organization on which they depend.

92. The scorecard below shows the FAO overall percentage scores on 16 survey themes arranged in order of the most favourable to the least favourable scores.

¹² C2011/7, paras, 126-127 Web Appendix .3

¹³ Hay Group, 2011 FAO Renewal Employee Survey 'Listening to you' Results Report.

Figure 5. FAO Renewal Employee Survey 2011: Results Scorecard



Survey communications

93. The survey report containing a detailed breakdown of results from the all-employee survey was published on a dedicated intranet page within the renewal Web site. A summary version has also been distributed in a booklet issued in English, French and Spanish, accompanied by a letter from the Director-General and distributed to employees via e-mail.

Survey follow-up actions

94. In response to the survey results, Management has considered the areas where FAO as an Organization is doing well and should work to maintain high scores, and areas identified by the survey as calling for improvements. As noted in the results scorecard in Figure 5, issues of concern to employees are: FAO supporting a culture of trust and fairness, culture change, renewal communication and renewal understanding.

95. Two levels of action in response to the employees survey are in progress – corporate level actions and local actions. To develop corporate actions, Management established a representative staff group comprising a cross section of employees, representatives of a staff association and HR to develop options for corporate action in response to the survey, and from these recommendations has agreed four corporate level actions. The actions were communicated to ADGs along with guidance on developing a further one or two local actions at the department and/or office level by 31 October 2011. The corporate level actions meet the requirements of being tangible and achievable in a short timeframe with the measure of success being that these actions will make a difference to employees across the Organization which can be measured in subsequent employee surveys.

The corporate actions are:

- Action 1: Improving communication

Employees have expressed a desire to be more involved in change activities and to have more open and frequent communication with their ADGs and heads of offices. ADGs are to therefore conduct a participative approach to survey action planning within each department, under guidance provided by the IPA Board, ensuring that all levels of staff are engaged.

- Action 2: Building successful teams
Whilst employees reported favourably on collaboration and teamwork within their unit, there was a less favourable response to teamwork and collaboration outside of the immediate work unit. The corporate response to this finding is to develop basic principles for and guidelines on teamwork, building on activities and practices already in place in some departments/units and adopting them across the Organization.
- Action 3: Avoiding waste and duplication
When asked to rate FAO on avoiding waste and duplication employees did not respond favourably, particularly employees at headquarters. The corporate response to this finding is to maintain a corporate ‘process improvement initiative’ inviting employees to suggest process improvements that will help to streamline FAO processes.
- Action 4: Learning time for all
FAO scored lowest on having a culture of trust and fairness. Feedback from the independent working group suggested that employees perceive an inequity in access to training and career development. The corporate level response, aimed at instilling trust and exhibiting fairness, is to introduce a “Learning time for all” concept amounting to a one-week learning period per biennium (or 2.5 annual working days) as a requirement and good practice of every staff member. This action serves to address employees’ concerns whilst supporting activities that sustain FAO’s organizational capability and competitive advantage.

96. Under the communication framework *Keeping you informed*, a first internal newsletter has been produced on behalf of Deputy Director-General of Knowledge for employees in the technical departments or "Knowledge Arm" of the Organization. The newsletter highlights the work of employees in teams and the importance of teamwork for delivering results. The newsletter is one communication element of a teamwork and collaboration framework, as part of culture change. Feedback from employees has been positive with expressions of interest in learning more about how to apply teamwork in their roles.

97. Eleven articles or feature stories related to FAO’s renewal have been published on the employees Web magazine *FAO InTouch*. Articles have emphasized visible signs of change, with coverage for example of staff training in procurement across DOs, getting the most from PEMS, work on simplification of administrative procedures by the Business Improvement Unit, and interviews with managers undergoing innovative new training courses.

98. The final *Members' Update / FAO renewal* newsletter for FAO Members in its original format was issued, reviewing decisions of Conference related to FAO renewal and updating Members on the staging of FAO's first all-employee survey. The IPA Project Board has approved a new-look newsletter featuring more articles, interviews and appealing photography, to be distributed directly to Permanent Representatives' e-mail inboxes. Plans to develop a new external FAO renewal Web site, featuring background material, more news articles and relevant links, have also been approved by the Board.

99. Under the communication framework *Working together*, informal discussion sessions (“Renewal coffee morning”) on FAO renewal have been held on a monthly basis with employees at headquarters, featuring members of the IPA Board and project leaders. This outreach activity was informed by the survey findings where employees expressed a desire for more open and direct communication with Management and a preference, particularly amongst employees at headquarters, to hear about renewal related changes through face-to-face communication. Discussions have included staff mobility, recruitment, PEMS, culture change and decentralization, with staff raising a variety of questions.

100. “Renewal coffee morning” sessions have also been held via videoconference with employees in DOs in Asia and the Pacific, Latin America and the Caribbean, Europe and Central Asia, and the Near East. For all these sessions, participants have reported a better understanding of the renewal process and an appreciation of the opportunity to speak directly with managers on changes being made. Some queries raised are also followed-up by managers with a

view to reporting back to the staff involved. A discussion forum was also held at headquarters to discuss how the culture change initiative under FAO renewal is progressing, and for employees to raise any questions.

101. In addition, in preparation for the work planning cycle 2012-13, Management held an all-employee meeting to launch the results-based management resource kit and tools attended by headquarters employees, regional offices by videoconferencing and Web streamed over the FAO's Intranet for employees in worldwide offices to watch. Such events where Management and employees are connected together via video and Web link to exchange information are becoming an everyday part of FAO's new communication culture.

V. IPA Funding and Expenditure

102. In financial terms, implementation of the IPA in 2010-11 was financed under the budgetary appropriations voted by the Conference for the PWB (gross budget of USD 44.91 million less savings of USD 5.31 million yielding a net budget of USD 39.6 million). To this was added the unspent balance from the 2009 IPA Trust Fund carried forward to 2010-11 (USD 3.08 million), providing a total net IPA budget for the biennium of USD 42.68 million (gross budget of USD 47.99 million less savings of USD 5.31 million). At the end of 2010, IPA expenditure totalled USD 19.06 million. This represented total utilization of the unspent balance of the IPA Trust Fund of USD 3.08 million and expenditure of USD 15.98 million from the PWB gross budget of USD 44.91 million. The gross budget for 2011 was therefore USD 28.93 million.

2011 Expenditure as at end September 2011

103. As at end September 2011 IPA expenditure (recorded expenditures and commitments) charged to the PWB funds totalled USD 18.76 million, leaving a balance of USD 10.17 million to be expended during the remainder of 2011 (USD 28.93 million less USD 18.76 million).

104. Approximately 70% of the 2011 balance of USD 10.17 million is anticipated to be expended on activities within the IPA areas of Information Technology, Human Resources and Culture Change against the following IPA actions. Major elements comprise:

- *Action 3.90 (Improve Telecoms Connectivity to Decentralized Offices)* - Contract renewals for connections to DOs, Internet service provision costs, costs for installation of satellite dishes, laying fibre cable and purchase of telecommunications equipment, together with human resources and training costs.
- *Action 7.26 (Design of MIS)* - Costs to support data management and business intelligence for specialized data management, training and expert guidance related to the utilized technologies.
- *Action 3.61 (Mobility)* - Charging the costs of staff rotations in excess of the level in 2008/09 (44) to the IPA.
- *Action 3.62 (Junior Professionals Programme)* - Monthly costs for the Junior Professionals now on board for the remainder of 2011.
- *Actions 3.60 and 3.59 (Other HR)* - Costs for external firms and consultant contract providing training as part of the management learning programme. Advertising, through an agent, in the local press of developing, non- and under-represented countries to support the policy for equitable geographical and gender representation.
- *Action 3.32 (Implementation of the culture change vision)* - Workshop on the monitoring framework and development of implementation plan, renewal and update on Culture Change Web site and development of toolkit, support to local Culture Change Teams for their own departmental or divisional initiatives, support to the FAO-Africa RBM Pilot project, launch of the FAO Corporate Strategy together with the celebration of Staff Day, and backfilling for CCST members. A decision on the senior leadership training has been deferred to 2012.

Potential 2011 balance and impact on 2012-13 budget

105. On the basis of discussions with IPA project leaders and a review of the work plans in place, an unspent balance of approximately USD 3.5 million is projected at the end of 2011, consisting of both recurrent IPA costs and one-time investment costs.

106. The 37th session of the FAO Conference authorized the use of any unspent balance of the 2010-11 appropriation for full implementation of the IPA, including one-time IPA investment costs incurred during the 2012-13 financial period.¹⁴

107. The carry forward of any 2010-11 unspent IPA resources to the IPA programme in 2012-13 will be considered by Management within the following two categories:

1) One-time resources relating to activities planned for 2010-11 but deferred to 2012 will be "carried-forward" and added to the 2012-13 IPA budget

2) Unspent resources related to 2010-11 recurrent costs for which funding is available in 2012-13, will contribute towards funding of one-time IPA costs in 2012-13

108. Management will provide a full and detailed financial report on the 2010-11 biennium at the next governing body meeting to be held in 2012.

109. Management looks forward to a continuing active and participative partnership with Members as IPA implementation continues, and the IPA is fully integrated into a reformed Organization across 2011 and the 2012-13 biennium.

¹⁴ C 2011/REP – Resolution 5/2011 Budgetary Appropriations 2012-13, Item 2

Annex 1: List of IPA Projects

1 - Governing Body Reform
2 – Audit
3 – Evaluation
4 - Ethics
5 - Programming, budgeting, and Results-Based Monitoring
6 – Publishing in all languages
7 - Resource mobilization and management
8 - Technical cooperation programme
9 – Decentralization
10 - Headquarters structure
11 - Internal governance
12 – Partnerships
13 – Procurement
14 – Travel
15 - Translation and printing
16 - Registry reform
17 - Administrative services model & FAO manual
18 - IPSAS (and FAS replacement)
19 - Telecommunications connectivity to Decentralized Offices
20 - Oracle Release 12
21 - Other IT actions
22 - Enterprise Risk Management framework
23 - Culture change
24 – PEMS
25 - Competency Framework
26 – Staff mobility
27 - Other HR actions
28 - Management Follow-up
29 - IPA Communications

Annex 2: List of 27 Key IPA Actions

Thematic Area - Managing for Results

Project 5 - Reform of Programming, budgeting and Results Based Monitoring

- 3.88 Introduce benchmarks and a performance-based reporting and monitoring system for DOs
- 3.6 Introduction of a Revised Implementation Performance Results Based Management monitoring system and report: Each report will cover the previous biennium and report on delivery, and targets and indicators of results as well as efficiency indicators for the functional objectives. This report will replace the current Programme Implementation Report.
- 7.2 Design the new Planning and Budgeting Model, define the new structure of PWB, outline the new standard streamlined logical framework for "Projects" budgets and the requirements for the standardized new reporting system.

Project 7 - Resource Mobilization and Management

- 3.12 To supplement Assessed Contributions, projected extra-budgetary resources will be integrated within the programming and budgeting process, including the definition of Impact Focus Areas, while recognising that extra-budgetary funding is not fully predictable (see also paragraphs 8 and 33), and:
- 3.14 b) put in place a management structure for extra-budgetary resources and assessed contributions which places overall strategy, policy, management and coordination of resource mobilization, including donor relations on policy, , in a central Office of Strategy, Planning and Resources Management with decentralized responsibilities at all levels within the coordinated framework for resource mobilization, in particular at regional and country levels including a small unit in the Department of the Organization dealing with Technical Cooperation which will support the DOs and operations units in their liaison with donors;

Project 22 - Enterprise Risk Management

- 3.54 Full Implementation of Enterprise Risk Management Structure and systems (Institutionalize ERM)

Thematic Area - Functioning as One

Project 9 - Decentralization

- 3.84 Clearly distinguishing between well established offices and any plans for additional new offices, rationalise coverage of country offices following results of review utilising agreed criteria, taking into account both existing and potential locations, efficiency, projected cost savings and cost/benefit analysis. Implementation of the results of the review will ensure that at a minimum the structural deficit is eliminated in the Country representation (FAORs) through alternative forms of country presence, with further reductions desirable to free up resources for the improved functioning of the DOs. Criteria to be applied:
 - a) size of the FAO Programme (indicative ratio office costs to size of programme 1:3);
 - b) commitment to the National Medium-Term Priority Frameworks as they are developed with FAO;
 - c) size and poverty levels of agriculturally dependent population;
 - d) priority to Least Developed Countries;
 - e) potential for agriculture in economic growth;
 - f) ease of servicing from another country;

- g) potential for shared or fully joint representations with the UN system, particularly with other Rome-based agencies, and other regional organizations as appropriate; and
- h) willingness of governments to cover costs of FAO presence.

Project 12 - Partnerships

- 3.109 Operationalization and implementation of renewed strategy for partnerships with civil society and the strategy for partnerships with the private sector. Undertake assessment and stocktaking of partnerships, including the potential for greater partnership with civil society and the private sector. Launch new or renewed partnerships pursuing the possibilities for further joint activities and collaborative arrangements with the private sector and civil society organizations.

Thematic Area - Human Resources reform

Project 24 - PEMS

- 3.70 Introduce an objective staff appraisal system linking staff performance to organizational objectives based on realistic performance targets and objective assessment criteria

Project 25 - Competency Framework

- 3.66 Revise competency profiles for all job families including Regional Representatives, sub-regional coordinators and FAORs, including competencies in management and policy support
- 3.87 Redefine job descriptions, profile of competencies (including policy competence), recruitment and performance appraisal procedures (open competitive) for Regional ADGs, Sub-Regional Coordinators and FAORs (see also 3.66)

Project 26 – Mobility

- 3.61 Establish an incentive based rotation policy in HQ and between HQ and the DOs with clear criteria

Project 27 - Other Human Resources Actions

- 3.60 Introduce a package for increasing staff training, including in management
- 3.62 Establish a joined-up and consistent system for the recruitment and development of young professionals, particularly from developing countries. This will include the intern programme

Thematic Area - Reform of Administrative and Management Systems

Project 13 - Procurement

- 7.6 New procurement model for managing the initial phases of purchasing actions
- 7.14 Operational model for the implementation of partnerships in procurement actions with other UN agencies

Project 14 - Travel

- 7.15 Other activities of the Joint procurement initiative - Travel

Project 16 - Registry Reform

- 7.16 Define a plan for the registry management, considering the shift to electronic and the outsourcing of resources

Project 18 - IPSAS (and FAS replacement)

- 3.42 To Implement new or updated processes to support the recording, accounting, control and reporting of financial transactions at DOs. Processes include the policy, procedures and

system developments which collectively address the business requirements to support financial transaction processing at DOs

7.24 Implementation of IPSAS as key initiative for the finance division and FAO as a whole

Project 19 - Improve telecoms connectivity to DOs

3.90 Upgrade of ICT infrastructure and Information Systems Functional Support for DOs

Project 20 - Oracle R12

7.25 Enhance Oracle ERP related functionalities to meet IPA requirements

Project 21 - Other IT actions

7.0 Strengthen IT Governance. All functions must abide by formal processes, e.g. project/change request procedures, project management and development processes

7.26 Design of the Management Information System

Thematic Area - Culture Change

Project 23 - Culture Change

3.32 Implementation of the vision

IPA management follow-up

Project 29 - IPA Communications

4.9a IPA employee communications

4.9b IPA Member communications