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Decentralization and the Decentralized Offices Network

Towards a More Effective Decentralized Offices Network in the Near East and North Africa

Executive Summary

This paper provides Members with an update on actions taken by the Secretariat to address decentralization issues in the Near East and North Africa (NENA) region and enhance the effectiveness of the FAO decentralization network in the region. Substantive headway has been realised in improving the effectiveness and functioning of Decentralized Offices (DOs) in the NENA region, in the context of the transformational process launched in 2012. The overall priority setting and planning process to respond to country needs is going through major transformations as a result of the Implementation of the Strategic Framework, the MTP 2014-2017 and the PWB 2014-2015. In this context the Regional Office, in close collaboration with the two Subregional Offices, the country offices in the region and headquarters, has worked intensively to progressively align the priority setting and planning process in the region with the overall corporate strategic framework. Country Programming Frameworks (CPFs) have been formulated for 17 countries. Based on CPF mapping and the Regional Priority Framework, Regional Initiatives that address major challenges requiring a concerted regional approach are being developed.

In the context of the transformational process initiated in 2012, significant efforts have been deployed to improve the functioning and effectiveness of the DOs in the region. The decentralization and integration of emergency and development activities has been completed for all countries in the region, except for Syria. FAO Representatives are being identified, assessed and selected with sufficient lead time. Deputy FAO Representative positions have been established in countries with a significant field programme. The skill-mix in the Regional Office has been reviewed in light of the regional priorities. The Regional Office and the Subregional Offices are playing a leading role in the development of CPFs, as well as in the formulation of development and emergency projects. The Subregional Office for the Gulf Cooperation Council States and Yemen (SNG) is fully operational.

The Regional Office is progressively strengthening its oversight role and providing support to country offices in the areas of administration, finance and compliance with the FAO rules and audit recommendations. Gender issues have received greater priority in 2013.

Despite progress made in several areas, significant challenges remain for the effective delivery of the FAO programmes in the region. In particular, FAO programmes in the region remain dependent on the traditional funding sources and resource mobilization from within the region is limited.

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Guidance Sought:

The Conference may wish to provide its guidance on decentralization matters presented in NERC/14/3 and consider to specifically:

- 1) Support the actions being undertaken to ensure the alignment of CPF action plans, Regional Initiatives and Strategic Objective actions plans;
- 2) Encourage funding from the region to the region, including through the regional solidarity trust fund, in support to the implementation and upscaling of regional programmes and high impact country projects;
- 3) Support the conduct of a methodical review of the organizational design of country offices and the strengthening of the capacity of these offices through the alignment of their respective programmes and structures;
- 4) Endorse the measures pursued to reinforce the capabilities within the Regional Office and the decentralized network as well as secure the optimal utilization of existing capabilities at regional, subregional and country level;

I. INTRODUCTION

1. The structure and functioning of the decentralized offices (DOs) in the Near East and North Africa (NENA) region have undergone significant transformations as a result of the FAO renewal and the implementation of the recommendations of the Programme Committee and of the Regional Conference for the Near East (NERC) pertaining to the evaluation of the Regional Office for the Near East (RNE) and Subregional Office for North Africa (SNE). The FAO transformational process initiated in 2012 has given a new impetus to the implementation of decentralization and integration of emergency and development activities. The reviewed FAO Strategic Framework, Medium Term Plan 2014-17 (MTP) and Programme of Work and Budget 2014-15 (PWB) endorsed by the FAO Conference in June 2013 will put in place a more effective and integrated delivery model that will enable the various layers of FAO to respond to countries' needs and priorities.

2. Previous deliberations of NERC and FAO Council sessions have framed the major decentralization issues into three main themes, namely: (i) better planning and priority setting processes at country, subregional and regional level; (ii) a more efficient and cost-effective network of DOs; and (iii) an integrated model for programme delivery, comprising the integration of development, emergency and rehabilitation activities as well as the promotion of a more strategic use of TCP resources and an improved management of human resources that is conducive to fostering greater accountability and improved country-level delivery. This paper provides members with an update on actions taken by the Secretariat to address decentralization issues in the NENA region and enhance the effectiveness of the FAO decentralization network in the region along the above three main priority areas for action.

3. As stipulated throughout the documents, the measures and actions that have been taken by the secretariat have sought to respond directly to the recommendations emanating from the Evaluation of FAO's Regional and Subregional Offices which were presented to the 106th Session of the FAO Programme Committee (21-25 March 2011) and subsequently those arising from the 31st Session of NERC as well as the 113th Session of the Programme Committee (18-22 March 2013).

II. IMPROVED PLANNING AND PRIORITY SETTING THE NEAR EAST AND NORTH AFRICA

4. The overall priority setting and planning process to respond to country needs is going through major transformations as a result of the implementation of the strategic thinking process. The 38th Session of the FAO Conference in June 2013 approved the Reviewed Strategic Framework 2010-19 as well as the Director-General's Medium-Term Plan 2014-17 and Programme of Work and Budget 2014-15 (MTP/PWB).¹ The **Strategic Framework** provides the overall strategic direction for the Organization, starting from FAO's Vision and Global Goals. It sets five cross-cutting Strategic Objectives that represent the priority areas of work on which FAO will focus its efforts in support of Member Nations. It includes a sixth Objective to improve the technical quality, knowledge and services as well as two cross-cutting themes, Gender and Governance

5. The new Strategic Framework, the MTP 2014-2017 and the PWB 2014-2015 rest on a solid results based framework, with Action Plans formulated for each Strategic Objective that details the Outcomes and Outputs to be delivered by the Organization. Work plans specifying products and services to be delivered at headquarters and in the field have been developed under each Strategic Objective. A corporate monitoring and evaluation framework will assess and measure progress in the achievement of results at country and global levels.

6. A Corporate Programmes Monitoring Board (CPMB) has been established to provide strategic direction, oversight and coordination and continuously review the delivery mechanisms of the Strategic Objective Action Plans. The CPMB is chaired by the Director-General, with the membership of the Deputy Director-General Operations, the Deputy Director-General Natural Resources, the Directeur de Cabinet, Assistant-Directors-General (HQ/ROs), Strategic Objective Coordinators and the Director OSP (Secretary).

7. Corporate initiatives (including those of regional focus) are the key delivering mechanism of the MTP 2014-2017 and the PWB 2014-2015. Corporate initiatives are intended to address key regional and country priority problems by delivery of relevant products and services at regional and country level contributing to achievement of the agreed outputs of the MTP/PWB. Corporate initiatives cut across Strategic Objectives and bring together different strands of the Organization's work that when implemented together will translate into tangible impacts on the ground.

8. The first step in the programming cycle in the DOs is the development and approval of Country Programming Frameworks (CPFs) aligned with the Strategic Objective action plans. The convergence of the top-down and bottom-up planning aspects of the new process will ensure that the Organizational outcomes and outputs of the Strategic Objective Action Plans provide a comprehensive framework that over time will accommodate and respond to the priorities and demands of member countries.

9. The 148th session of the FAO Council has approved the TCP enhancement measures [expressing its support "to the alignment of the enhanced Technical Cooperation Programme to the reviewed strategic framework and the bottom up alignment to national priorities through Country Programming Frameworks (CPFs)". As part of the implementation of the Strategic Framework, activities funded from the Regular Programme as well as TCP resources and voluntary contributions should gradually converge and be aligned with the Strategic Objectives and their action plans. In this context, CPFs are to identify the priorities that guide the mobilization of resources, including the TCP. At country level, the alignment of the TCP to the Strategic Framework is thus to be ensured through the CPF process. During the CPF formulation phase, the FAOR will highlight, under the strategic priorities identified, those outputs and/or activities which could be achieved through TCP contributions. The indicative TCP pipeline will be added as an Annex to the CPF document and included in its resource mobilization plan.

10. In line with the call made by the NERC-31 to make the Organization work more effectively and efficiently at country level through improved planning and priority setting as a means of ensuring

¹ C 2013/7 and C 2013/3

that the Organization's work is focused and driven by Members' needs, FAO Country Representatives with the technical support of the relevant Subregional Offices and under the supervision of the Regional Office have, over the last biennium, pursued actively, the development of CPFs. The CPFs for NENA countries have been concluded largely as planned. Out of 19 countries in the region, ten have had their CPFs endorsed by their respective governments and another six have their CPFs in preliminary draft form. The three remaining CPFs (Libya, Syria, and Kuwait) are planned to be completed by mid 2014. All of the 16 CPFs have been reviewed in accordance with the CPF quality assurance process. Most of the CPFs successfully address the alignment of results and strategy, FAO's comparative advantage, lessons learned, and have achievable and measurable outcome indicators. The remaining two countries are expected to complete the process, in the next biennium.

11. As CPFs have been rolled out, these have been mapped against the new Strategic Objectives as well as against the regional priorities endorsed by the 31st NERC Session. The result of the mapping shows an overall great consistency between CPFs, the Regional Priority Framework and the new Strategic Objectives.

12. The mapping of CPFs was a major input in the identification of key common challenges faced by countries in the region that require a comprehensive regional approach. Based on this mapping and on the NENA Regional Priority Framework, three Regional Initiatives (RI) have been identified for implementation during 2014-2017, as described in document NERC/14/2: (i) water scarcity regional initiative which was launched in 2013; (ii) building resilience for enhanced food security and nutrition in NENA; and (iii) sustainable small-scale agriculture for inclusive development.

13. The implementation of the three RIs is envisaged to make a notable difference as a result of the integrated and multidisciplinary approach they embody, building on lessons learned from past experiences and programmes implemented by FAO and partners across the region. Regional Initiatives are expected to provide viable regional platforms for exchange of experiences, knowledge sharing on best practices, policies and technologies, as well as to South-South Cooperation to address countries' common challenges. Regional Initiatives should lead to a more strategic and focused use of the available resources, including TCP projects linked to CPFs, and facilitate resource mobilization by providing an evidence-based strategic vision to address regional problems and demonstrated impacts at country and regional level, building on the lesson learned from the Water Scarcity Initiative in 2013 (see document NERC/14/2)

III. IMPROVEMENTS IN THE DECENTRALIZED OFFICES NETWORK

14. Measures are being progressively taken to strengthen the capacity of DOs and enhance the performance of country offices, ensure alignment of the skill-mix of experts in these offices to the regional, subregional and country priorities, strengthen the integration of emergency and development work and mainstream gender across all the regional and subregional activities, in conformity with the recommendations of the 31st NERC and the 113th Session of FAO Programme Committee².

15. The overall performances of country offices depend critically on the quality and competencies of FAO Representatives able to lead the CPF process, coordinate technical inputs from the various corporate layers, mobilize resources, form strategic partnerships and manage sizeable integrated development and emergency programmes. Significant efforts are currently being made to accelerate the turn-over in the filling of FAO Representative positions, as the main area of change in the management of the DO network. All FAO Representative positions are filled or candidates are in their final stage of recruitment. Selection and appointment of FAO Representatives has systematically followed the corporate guidelines, with assessment of the managerial competencies of the candidates and competence-based interviews. The FAO Representatives in the region have benefited from the various training activities provided by the Organization, including the UN leadership programmes.

² PC 113/6

16. In a bid to strengthen country office capabilities, Deputy FAO Representative positions are being established whenever the size of the field programme justifies it. Two Deputy FAO Representative positions have been established, one in Sudan and one in Yemen, and another Deputy FAO Representative position is being established in Syria. These posts have already proven to be very beneficial for resource mobilization, programme delivery and engagement in interagency processes. Taking advantage of availability of extra-budgetary funding and of various partnership arrangements, temporary support has been provided to several country offices, including Mauritania, Yemen, Lebanon and Jordan.

17. Contacts either at FAO headquarters or through missions have taken place with member countries that have requested a stronger presence of FAO and an expansion of the cooperation with the Organization through more partnership and liaison activities. Among these, discussions have recently started with Kuwait and Algeria.

18. As part of a systematic review of the organizational design of the DOs, an assessment is being conducted to ensure the alignment of structures as well as of resource capabilities as key determinants to the effectiveness of these offices. A reorganization of the Regional Office's structure was undertaken to address more effectively its strategic programme requirements. In this connection, it should be noted that the recommendation emerging from the 31st NERC to merge the Multidisciplinary team of the Subregional Office for the Oriental Near East (SNO) into the Regional Office for the Near East and North Africa, was implemented as of January 2013. The 31st NERC also called for improvements in the functioning of the Subregional Office for the Gulf Cooperation Council States and Yemen (SNG). In this context, it is worth reporting that SNG has played the leading role in the formulation of CPFs in several countries from the Subregion and continues to build up its contacts and its activities in order to become the first port of call for countries in the Subregion. SNG staff are currently providing backstopping for 15 projects and have formulated five UTF projects, two of which have been signed.

19. The technical skill-mix at the regional level has been critically reviewed in 2013 to align the human resources capabilities to the needs identified in CPFs and the strategic priority areas outlined in the RIs. In this context, four positions on gender, strategic planning, partnership and communication have been established in the Regional Office. The Regional Office will also strengthen its capabilities in the areas of water and natural resource management, with two new specialized positions and an Associate Professional Officer position, to establish itself as a regional reference in this area, as recommended by the RNE evaluation. The office is also supported by two other Associate Professional Officers in the areas of Agro-Industry, and Agricultural Policy. Despite the efforts carried out to review and re-arrange the skill-mix of staff as well as to assess the available resources and capabilities within the DOs in the region, the overall staffing level is still not commensurate with the needs of countries in the region both at regional/subregional and country office levels. This matter is being progressively addressed as resources become available.

20. In order to promote greater accountability and enable the Regional Office for the Near East and North Africa to manage risks efficiently and responsibly in the quest to realize a more results-oriented approach in the utilization of its resources, a framework is being instituted to embed risk management as a core function in the management of programmes and activities throughout the NENA region. Furthermore, the Regional Office is strengthening its oversight function of the programme delivery capacity of its DO network within the NENA region. Two missions were conducted in 2013 to assess the delivery capacity of three country offices. It is foreseen that within the upcoming biennium, similar oversight reviews will be conducted for all the remaining countries within the region. In this context, it should also be noted that during 2013, the Regional Office, in close collaboration with headquarters, has assisted country offices in the deployment of the Global Resource Management System (GRMS).

21. Regarding the mainstreaming of gender activities, major initiatives were launched in 2013, including the conduct of gender audits for the Regional Office, the Subregional Office for North Africa and several country offices in the region. A paper on addressing gender inequalities – NERC/14/6 – that was the subject of a specific workshop attended by representatives from member

countries, NGOs and gender experts from inside and outside the region, is being submitted for the Regional Conference. Document NERC/14/6 and the pertaining recommendations of the NERC-32, together with the outcomes of the gender audit report, will provide strong evidence-based policy guidance for the mainstreaming of gender in the FAO work in the region.

IV. AN INTEGRATED MODEL FOR PROGRAMME DELIVERY

22. In January 2012, the Organization decided to transfer operational responsibilities for emergency and rehabilitation programmes from headquarters under the lead of the Emergency and Rehabilitation Division (TCE) to DOs, under the overall responsibilities of the ADG/Regional Representatives. A time-bound plan for the transfer to DOs was endorsed by the 144th session of the FAO Council implying a gradual transfer of the emergency portfolio, which was completed by June 2013 in all regions. The transfer of operational responsibilities was carried out progressively and through a consultative process involving DOs so as to ensure a smooth transition. The decentralization process, including the integration of emergency and development activities, is today effective in all countries in the region, with the exception of Syria due to the prevailing situation in the country. It is expected that the transfer of responsibilities will be completed by 1 March 2014. Significant improvements are however still needed to build an integrated country offices structure with the adequate staffing.

23. The decentralization and integration of emergency and development activities has posed a number of challenges to the regional, subregional and country offices, including in terms of structure and adequate capabilities. In order to secure the requisite support to the country offices and maintain the capacity to adequately implement the integrated programme, the Regional Office will be strengthened with additional operational personnel and an experienced senior Field Programme coordinator has been selected to provide leadership for the field programme development in the region. Guidelines on the distribution and use of AOS funds have been revised to ensure that the DOs retain the flexibility and operational capacity to service projects and programmes efficiently.

24. Despite the challenges, the Regional Office and subregional and country offices are effectively playing their roles as outlined in the Circular on Responsibilities and Relationship. The decentralization and integration of emergency and development activities at regional and country level has already contributed to enhancing the coherence and visibility of the field programmes throughout the region. Working closely with TCE and technical departments in headquarters, the Regional Office, and subregional and country offices have shown a great responsiveness in addressing the emerging humanitarian issues in the region. This has resulted in the Region meeting its corporate target for extra-budgetary funding and using its full allocation of TCP resources in response to member countries' needs as agreed in CPFs. The Regional Office, in collaboration with TCE, has actively taken part in the UN interagency work in response to the impact of the Syria crisis.

25. Looking ahead, the performance of the programme delivery of the regional and country offices is expected to be improved by the ways new delivery model stemming from the new Strategic Framework. The establishment of multidisciplinary teams from across the Organization to deliver products and services through regional initiatives and CPFs could, indeed, ease the stringent human resource constraint the DOs are facing.

26. In this context and pursuant to the recommendations emanating from the Evaluation of FAO's Regional and Subregional Offices for the Near East³, an external review has been launched in an effort to optimize the use of human resources and capabilities in the region as well as to streamline processes. The review is also envisaged to reinforce the concept of cross-functional teamwork and assist with the establishment of teams from across the region entrusted with the delivery of activities underpinning the three initiatives for the NENA region.

³ Recommendation 7 (c), which in calling for RNE to be subject to a re-engineering process as part of the reshuffling of FAO institutional set-up in the region specifically requested that "the assistance of a management expert should be sought to support the ongoing and future change management processes" and further stipulated in this regard the need to identify and recruit external change management support

27. Despite the progress being made in improving the effectiveness and responsiveness of the DOs in the region, resource mobilization and adequate staffing, including identification of qualified candidates with requisite skills and experience as a priority, particularly at country level, remain major challenges to upscaling FAO's response to meet country needs. The funding of the FAO programmes in the region remains excessively dependent on traditional donors. A diversification in the funding source is an imperative for the sustainability of the FAO programmes in the region, in particular with regard to support to countries and communities in need.

28. In this regard, major priority will be given in the biennium 2014-2015 to mobilizing resources from the region to the region and to the implementation of the regional trust fund. The funding from the region to the region will be linked to the implementation of regional initiatives, while seeking impacts at country level and win-win projects (building resilience in countries affected by conflicts, transboundary animal diseases, desert locust, water and land management, and agriculture trade).

V. GUIDANCE SOUGHT

29. The Conference may wish to take note of the measures taken to date by the FAO Regional Office for the Near East and North Africa aimed at improving the priority setting and planning of the Organization's programmes in the region, enhancing the performance of its country offices as well as promoting an integrated programme delivery model aligned effectively to the corporately established strategic direction. In addition, the Conference may wish to note that further to the Programme Committee's recommendation, member countries were engaged at the 31st NERC to support the Near East and North Africa Solidarity Trust Fund and the Regional Office will be pursuing this matter with the Member countries.

30. In this respect, the Conference may wish to provide its guidance on decentralization matters presented in NERC/14/3 and consider to specifically:

- 1) Support the actions being undertaken to ensure the alignment of CPFs, Regional Initiatives and Strategic Objective actions plans;
- 2) Encourage funding from within the region to support the implementation and upscaling of regional programmes and high impact country projects;
- 3) Support the conduct of a methodical review of the organizational design of country offices and the strengthening of the capacity of these offices through the alignment of their respective programmes and structures; and
- 4) Endorse the measures pursued to reinforce the capabilities within the Regional Office and the decentralized network as well as secure the optimal utilization of existing capabilities at regional, subregional and country level.