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C 2007/7 B Management Response “In-Principle”

**Information Note 1: Improvements and Innovations since 1994**

*The Regular Programme budget of FAO has declined in real terms  
by 22% during the biennia 1994-95 to 2006-07*

In 1996-97, FAO suffered its first, and its largest real budget reduction, of US\$ 57 million (8.5% in real terms). While all managers looked for economies and savings so as to protect programme delivery, administrative structures endured a larger share of the cuts. In the six years to 2002-03, the Regular Programme budget declined by 4.6% in real terms. Over these years, FAO adjusted rationally, with priority-based programmatic changes and further efficiency gains as demands placed on the organization continued to increase.

In the light of the declining budget, in July 2001, the Director-General established the Trust Fund for Food Security and for Emergency Prevention of Transboundary Pests and Diseases of Animals and Plants to increase the flow of resources to fight hunger in response to the slow progress in realizing the 1996 World Food Summit goal of reducing by half the number of hungry people in the world. The Fund was financed by voluntary contributions made by governments, intergovernmental and non-governmental organizations, and the private sector. The initial target for the fund was US\$500 million and since then, several donors have contributed to the Fund, in particular the Italian Government who has contributed 60 million euros out of 100 million euros committed. The funds are used for global food security, anti-disease and investment promotion projects, assisting governments in initiating and strengthening sustainable means of increasing food availability in low-income food-deficit countries (LIFDCs) and strengthening surveillance and control of transboundary animal diseases that threaten food security in affected countries. Projects are formulated by FAO with the governments concerned, in close cooperation with donors and all relevant parties in the countries.

In a similar vein, the Finance Committee at its 102<sup>nd</sup> Session in May 2003 supported the Director-General’s creation of a Special Fund for Emergency and Rehabilitation Activities (SFERA) which provides FAO with the means for taking rapid action in emergency situations through advanced funding for procurement of inputs required to protect livelihoods or restart agricultural activity following a crisis. Since its inception, the fund has received US\$ 50 million, US\$ 38 million from donors and the balance from the Organization’s resources.

In 2004-05, the Membership imposed a real decline of US\$ 51 million (6.4%) which was followed by a real budget reduction of US\$ 39 million (5.2%) voted for 2006-07. The 2005 Conference also authorized a progressive implementation of reforms and noted that part of the related transition costs would be met from extrabudgetary funding. The real reduction totalling 11.6% since 2004-05 is far beyond the capacity for absorption through efficiency savings. Indeed, it exceeds annual long-term productivity target benchmarks in national public sector organizations of 1% to 1.5%. The programmatic effect of these budget cuts is demonstrated, for example, in the Adjusted PWB 2004-05, where 9% of outputs were eliminated and 29% reduced.

Consistent with an overall 22% real budget cut since 1994, the overall reduction in FAO’s regular programme post establishment has been 24%, with a much larger proportion of the reduction sustained under the General Service category (35% decrease in posts) than under the Professional and above category (5% decrease in posts). In the Professional and above category, the effort concentrated on reducing the layers of management as well as the number of higher-graded

positions and increasing the proportion of junior-graded staff including national professional officers. Net post reductions reached 232 in 2004-05, and 122 in 2006-07.

Since 1994, the total number of staff employed by FAO at all locations (including field projects) has decreased by some 31%. Changing modalities of project delivery have resulted in a 72% reduction in field project staff, and efforts to reduce administrative costs have resulted in higher than average reductions in the Finance (32%), Human Resources Management (55%) and Administrative Services (49%) divisions.

The budget allocated to FAO Representations suffered major cuts in real terms since 1994. In order to cope with these continuous budget reductions the organization had to resort to a number of measures to respond to increasing requests for support with less resources. Besides reducing staff costs through (i) replacement of internationally recruited staff by National Officers (-50%), (ii) reduction of General Services staff (-31%) and (iii) increase of Government-provided staff (+57%), continuous action was taken to request increase of Governments' contribution to the functioning of the office including staff , premises (70% of country offices), utilities and defrayment of general operating expenses. In addition, the collection rate of cash contributions in 2006 has increased by 14% with respect to 1994.

1. Since 1994, improvements and innovations have been implemented despite continuous reduction of the regular programme budget. FAO has been deeply transformed in order to increase its efficiency and better the staff working conditions. Some examples of the actions taken can be found in the following pages.

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## A. EFFICIENCY MEASURES

2. The Organization has been vigorously pursuing efficiency savings through the reduced cost of inputs, process improvements and improved cost recovery measures and has reported on its achievements consistently to the Governing Bodies. Efficiency measures implemented since 1994 through 2007 have yielded savings totalling **US\$ 160 million per biennium** and the table below provides details of the major areas of efficiency savings.
3. Broadly, over this period, the savings from:
- input oriented measures (e.g. reduced staff costs, non-endorsable airline tickets, better banking arrangements, etc.), have totalled just under **US\$ 40 million** per annum;
  - process oriented measures (e.g. organizational restructuring, a leaner management structure, reduced governing body sessions, outsourcing of document production, etc.), have totalled **US\$ 28 million** per annum; and
  - improved cost recovery measures have yielded **US\$ 12 million** per annum.
4. The Council at its 110th session in 1995, defined efficiency savings as “reductions in the cost of inputs without material negative impact on the outputs<sup>1</sup>”. Concentrating therefore on inputs, savings achieved up to 2003, totalled some US\$ 120 million per biennium compared with 1994 which was reported to the Conference in the PWB 2004-05<sup>2</sup>. In 2004-05, a further US\$ 10 million of efficiency savings were added, most notably from reducing the length of Governing Body documentation.
5. Recognising the savings attained, the Report of the 93<sup>rd</sup> Programme Committee, in reviewing the SPWB 2006-07, stated that “*major savings had been achieved in the recent past and...therefore,...the efficiency savings targets for 2006-07 should be realistic*”<sup>3</sup>. The Organization sought to find new and innovative ways to attain further efficiencies and, in the full PWB 2006-07 the governing bodies approved a new framework for capturing efficiencies, with five over-arching principles:
- that all activities were included;
  - that managers set their own targets and were held accountable for delivering and reporting results;
  - that appropriate levels of delegation and internal control were defined;
  - effective internal pricing strategy and greater interdisciplinary collaboration were in place; and,
  - the auto-evaluation of all programmes using common criteria and procedures was foreseen.
6. It also set a target of savings of 1-1.5% per annum which was exceeded, with estimated savings in 2006-07 totalling just under US\$ 29 million, not accounting for productivity enhancements (such as reducing the time to process payments to suppliers from 7 – 10 days to 2 – 3 days) which also continued to improve the efficiency of the Organization.
7. This framework established in the current biennium will continue to be applied for efficiency savings in 2008-09. However, the requirement to invest or incur one-time capital costs to achieve the savings has become more apparent, as has the need to work with partners. For example, complex business process changes will require initial investment, which will continue into 2008-09, in order to fully implement the Shared Services Centre and reap forecast savings of

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<sup>1</sup> CL 110/REP, para. 24

<sup>2</sup> C 2003/3, para. 179

<sup>3</sup> CL 128/11, para. 17

US\$ 8 million from 2009. With respect to working with partners, much of the focus in 2008-09 will be on savings which can be achieved through more efficient collaboration at the inter-agency and UN system level. Measures actively being pursued include in the areas of procurement (e.g. mobile telephony and travel), human resources (e.g. joint training programmes), finance (e.g. treasury operations and IPSAS), knowledge exchange, and being an active partner in the development of harmonised approaches to budgeting and financial aspects within the UN system.

8. However, the Organization will continue to build on what has already been achieved and, for example, the favourable staff-cost differentials arising from the geographical placement of multi-disciplinary teams and the continued streamlining of the policy and operations branches will yield forecast savings of US\$ 5.3 million. The Organization can therefore anticipate efficiency **savings of US\$ 13 million in 2008-09.**

<b>Biennium</b>	<b>Major Efficiency Savings since 1994 to 2007</b>	<b>Estimated annual savings (US\$ '000)</b>
Pre-2003	New Partnership Agreements – the substitution of international consultants with more cost effective arrangements such as Technical Cooperation among Developing Countries (TCDC), Academic scheme, retirees, etc. (assumes 100% substitution with staff)	11,000
Pre-2003	Replacement of Country Office International Programme Officers with National Programme Officers	6,000
Pre-2003	Reduction in the average grade of professional posts	5,000
Pre-2003	Reduction of support staff through office automation and outsourcing	12,000
Pre-2003	Decentralization of technical, policy assistance and operations bureaux to Regional Offices	2,000
Pre-2003	Change to use of non-endorsable airline tickets and extension of 80% option to all entitlement travel	2,000
Pre-2003	Reduction in communication unit costs	1,000
2004-05	Incentive-driven charge-backs for publications storage and distribution	350
2004-05	Joint procurement of electricity with Rome-based agencies	200
2006-07	Automated payment to vendors reducing bank charges	150
	<b>Subtotal input-oriented measures</b>	<b>39,700</b>
Pre-2003	Leaner management arrangements including elimination of assistants to both ADG and division director posts and creation of the Management Support Service (MSS)	6,000
Pre-2003	Increased outsourcing of publication and document production and expanded use of locally-based external translators for Regional Conferences	6,000
Pre-2003	Restructuring of Field Programme Operations	5,000
2004-05	Further reductions in the length of governing body documents and of the Conference and Committee on Commodity Problems (CCP) which was also held back-to-back with Committee on Agriculture (COAG)	4,000
2004-05	Restructuring of the Registries	200
2004-05	Transfer of work to the MSS leading to a Reduction in support staff	270

Biennium	Major Efficiency Savings since 1994 to 2007	Estimated annual savings (US\$ '000)
	in the Administrative Unit of the Office of the Director-General	
2006-07	Delaying by eliminating 21 D-level posts and associated support staff	4,500
2006-07	Headquarters restructuring resulting in the abolition of the Office of WFS Follow-up and Alliances (OFA)	650
2006-07	Streamlining policy and operations groups in Regional Offices	1,450
	<b>Subtotal process-oriented measures</b>	<b>28,070</b>
Pre-2003	Increased recovery of costs of technical support services to projects	4,000
2006-07	Increased support cost rates for projects in support of Regular Programme activities	2,500
2006-07	Increased rates for emergency projects from 6.5% to 10%	5,000
	<b>Subtotal cost recovery measures</b>	<b>11,500</b>
	<b>Annual Total of Major Efficiency Savings</b>	<b>79,270</b>

## **B. RESTRUCTURING AND DECENTRALIZATION (AS IMPLEMENTED UNDER FAO REFORM OF 2005-06)**

9. Significant reforms, particularly changes to the organizational structure, were approved by the governing bodies in phases, i.e. principally by the 33rd session of the Conference in November 2005 and the 131st Council in November 2006, as well as the 132<sup>nd</sup> Council in June 2007. Implementation of these reforms unfolded through the 2006-07 biennium and will continue to the extent required into the next biennium.

10. The Headquarters restructuring implemented during the current biennium includes three major changes over previous arrangements: the new Natural Resources Management and Environment Department (NR) will contribute to more effective action in important new subjects such as climate change and bioenergy; the new Knowledge and Communication Department (KC) will ensure adequate coverage of interdisciplinary thrusts such as capacity building and knowledge management; and the new Office of UN Coordination and MDG Follow-up will secure higher visibility and priority for FAO's interface with the UN system. Two other notable changes include the establishment of a Crisis Management Centre in the Agriculture and Consumer Protection Department (AG) to coordinate responses to crises in transboundary pests and diseases of animals and plants, as well as food safety crises; and, the creation of the Gender, Equity and Rural Employment Division in the Economic and Social Development Department (ES) combining some of the functions of the former Rural Development Division and Gender and Population Division. Finally, a Shared Services Centre (SSC) consolidating administrative and financial services was established and a multi-hub structure is being progressively implemented in three locations: Santiago, Bangkok and Budapest, with a coordination centre in Rome.

11. Strengthened decentralization is being implemented in Africa, Europe and Central Asia, and Latin America and the Caribbean. The new structure in these regions comprises a Regional Office staffed with outposted technical officers whose skills match the needs of the region and whose work would be focused on region-wide issues and strategy. In addition there are Subregional Offices with multi-disciplinary teams that directly support countries and subregional organizations. These teams provide high level technical expertise to countries particularly on international best practices and knowledge exchange. The reform empowered the Regional Representatives in a number of ways including entrusting them with the supervision of the subregional offices which are now an integral part of the Regional Office. The reform also gave far more responsibility to FAORs to act as budget holders and project formulators for national

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projects; take the lead in preparation of NMTPFs and work with other UN agencies on formulation of the UNDAF; take lead responsibility for resource mobilization at country level; and approve TCPs up to US\$ 200 000 per country and per biennium. In addition, the FAORs are expected to work under the supervision of the Sub Regional Coordinators for up to 30% of their time in a technical capacity as part of the subregional MDT. They are also under the purview of the SRC for their leave and travel authorizations.

### **C. PARTNERSHIP PROGRAMMES**

12. Since 1994, new approaches were adopted by FAO to forge new partnerships. In this context, the Organization developed a number of agreements with governments and institutions in order to maximise the benefit that can be gained from strategic partnerships. As a result, the following four main partnership programmes were established:

- The use of experts for Technical Cooperation among Developing Countries and Technical Cooperation among Countries in Transition (TCDC/TCCT Experts Programme)
- The Retired National Experts Programme
- The Visiting Experts Programme
- The Young Professional Programme

13. By October 2007, 133 countries are participating in TCDC/TCCT Experts Programme and 93 countries in the Retired National Experts Programme. Regarding the Visiting Experts Programme, 69 countries have endorsed the agreement, along with a further 7 regional and international institutions.

14. These programmes are aimed at mobilising technical expertise and a wide knowledge base among experts in their field. Based on cost sharing arrangements, FAO's costs are much lower than the costs of purchasing similar expertise from of regular international consultants. Approximately 3,700 assignments were carried out under the TCDC/TCCT Experts Programme between 1994 and October 2007. During the same period, there were some 5 200 assignments under the Retired Experts Programme, 700 under the Visiting Experts Programme and 150 under the Young Professionals Programme.

### **D. PARTICIPATION OF BENEFICIARY COUNTRIES AND SOUTH-SOUTH COOPERATION**

15. The South-South Cooperation programme was launched by FAO in 1997 in support of the Special Programme for Food Security (SPFS). Under this programme, costs are shared on a tripartite basis between (i) cooperating countries, which assign experts and field technicians for SSC services and continue paying their salaries at home; (ii) host countries, which provide accommodation and a payment of US\$300/month per cooperant, either from their national budgets or donor funds; and (iii) FAO or a donor, which provides international travel, a one-time installation grant of US\$300 to each expert and field technician and a monthly allowance of US\$700/month per expert and US\$300/month per technician. The service period of experts and field technicians is typically two years but ranges from one to four years.

16. The SSC modalities have allowed the provision of significant technical assistance among developing countries at low cost. Up to June 2007, the SSC programme has fielded 183 experts and 1272 technicians through 39 agreements at a cost of about US\$23 million (Regular Programme and extra-budgetary). If this staff had been hired at regular FAO rates with P-3 salary scale for technicians and P-4 for experts, the total cost would have amounted to US\$240 million. In 2006, China signed a Letter of Intent with FAO to provide 3000 experts and field technicians also covering the monthly allowances of such experts and technicians when fielded to LDCs and LIFDCs with which it has signed a Bilateral Assistance Framework.

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17. In summary, since 1997 the SSC programme has created savings of about US\$217 million compared with the cost of international experts, and has allowed FAO to enhance its technical support to the SPFS in spite of budget constraints, as well as provide a means for countries to express their solidarity in South/South development.

## **E. COMPUTERIZATION**

18. Information Technology has radically changed the working environment of the Organization, and information systems, together with information and communications technology services are more than ever providing the basis for the day-to-day business of the Organization.

### *Information and Communications Technology Infrastructure*

19. At the start of 1994, FAO Headquarters had about 300 PCs, each of which operated independently with a local printer. There was a very limited network with “dumb terminals” linked to a number of minicomputers, and quite separately a number of terminals connected to the mainframe computer. Most decentralized offices had no electronic communications with HQ.

20. Within 1994-95, work within FAO Headquarters was revolutionized by installation of a Local Area Network (LAN) linking all the PCs, and gradually supplanting the other networks. There are now over 3,000 PCs in Headquarters alone. Email was introduced and by the end of 1997 every FAO office at Headquarters and in the field had a LAN and some access to email. In 2001-2003 an extensive project implemented a Wide Area Network (WAN) to all FAO decentralised offices, which provides vastly improved email facilities and also permits decentralised offices to access FAO’s extensive knowledge resources via Intranet, and to allow deployment of information systems such as Oracle HRMS. In almost 80 locations, this is a dedicated telecommunications network provided by SITA, the telecommunications company of the airline industry; in locations where this is not possible, a variety of substitute arrangements is made, collaborating with other UN agencies wherever possible.

21. Another important theme has been mobility, enabling computer users to do their work while travelling or as teleworkers. The remote access infrastructure has been built up over several years starting from the mid-1990s, and has been important in facilitating FAO responses to emergencies, as well as enabling more flexible mobilisation of people for other peak demands.

### *Information Systems*

22. In the early 1990s, technical information systems were scattered on different platforms and in a multitude of disconnected databases. The situation today is very different.

23. Adoption and support of open-standards and a common database were introduced to overcome limited and restrictive information system silos and provide a flexible, portable and scalable solution within the WAICENT framework for FAO, and in support of Country-based information systems.

24. Common solutions to common technical information system requirements were developed to provide a more effective and efficient usage of resources and ensure improved quality and support.

25. These advancements in information systems development technology for technical departments has enabled FAO, with limited resources, to expand its web presence from one to well over 150 globally accessible technical information systems in the past ten years. FAO technical information is now widely and more easily available to people all over the world. FAO was also among the first UN agencies to have an Internet presence, and its data holdings available to all through the Internet remain among the largest in the UN system.

26. Administrative and operational information systems have also made huge advances. In the early 1990s administrative systems were based on a mainframe computer and served only a limited number of users at headquarters for specific processes. These legacy administrative

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systems were replaced with the Oracle Enterprise Resource Planning (ERP) package together with a travel recording and workflow system, a distributed field accounting system and a data warehouse. These systems ensure the availability of up-to-date administrative information to staff at headquarters and in decentralized offices around the world. Together with Document and Workflow systems, they have helped to modernize office processes, to streamline administrative procedures and decentralize/delegate various approval authorities, replacing paper based with electronic approvals and extending the implementation of exception based approvals. In addition, the PIREs<sup>4</sup> system supports FAO's results-based management process, which comprises programme planning, budgeting, implementation monitoring and evaluation at all levels of the Organization. Accurate and timely information regarding the field programme is made available through FPMIS<sup>5</sup> and COIN<sup>6</sup> systems and this is essential to the Organization for field activities and for senior management's monitoring of emergency and projects performance.

## **F. PUBLICATIONS AND DOCUMENTATION**

27. Since 1994, the Organization has radically revised its approach to communication of information through publications. Formerly handled through highly centralized structural arrangements, primary responsibility for key aspects of the publication process, i.e. conceptualization, production, dissemination and evaluation, has been progressively devolved to the originating technical units. A central policy and support unit provides guidance and a focal point to ensure harmonized levels of quality and visual identity. Publishing guidelines and tools have been made broadly available to all units.

28. With the advent of the Internet, much wider access to FAO technical publications has been provided through their dissemination via the web-based FAO Corporate Document Repository, which complements ongoing targeted print distribution to ensure appropriate outreach to users still without or with only limited Internet access. Special Regular Budget allocations have been granted since 2002-03 to ensure that FAO publications are issued in as many of the official languages as is technically warranted. Small additional resources are utilized to facilitate production of selected publications in non-official languages, with dozens of such languages being covered each biennium.

29. Beyond the realm of technical publications, FAO published output has been enriched by "Flagship" publications, presenting information of both policy and advocacy nature at the highest levels of editorial and design quality, simultaneously in all official languages.

30. Partnerships with external institutional and private-sector publishers, include (among many others) Blackwell, Wiley, Springer, Earthscan, CABI Publishing, other UN agencies, the World Bank, regional and national institutes, CGIAR institutes.

31. The implementation of a coherent corporate identity affecting all information products by the Organization has been much strengthened since 2002. This is also linked with the provision of publishing tools supporting decentralized but quality and coherent authorship and production practices throughout the Organization.

32. Several measures have also been implemented in the area of meeting documentation and support to the meeting activities of the Organization, among them:

- Development of web pages for Governing Bodies and all major meetings;
- Introduction of web data bases to replace bulky Governing Body documents such as the directory of "Officers of the Conference and Council";

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<sup>4</sup> Programme Planning, Implementation Reporting and Evaluation Support

<sup>5</sup> Field Programme Management Information System

<sup>6</sup> Country Office Information Network

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- Web posting of Reports of all Conference and Council sessions held since the founding of the Organization;
  - Web posting of Verbatim Records of sessions of Conference and Council;
  - Use of remote translation to service field meetings from HQ ensuring optimum quality and reduced costs for travel. (FAO was the first organization in the UN system to implement remote translation for all meetings not held in Rome);
  - Shift from paper-based distribution of meeting documentation to web posting;
  - Introduction of a web-based version of FAOTERM, the FAO terminology database, for use by all users involved in information and communication;
  - Launch of the Permanent Representatives' website; and
  - Consolidation of all printing facilities in the Internal Printing Unit (with the elimination of departmental print-shops).

### **G. OUTPOSTED INFORMATION OFFICERS**

33. In order to address a perceived communication deficit in some key developed countries, the Organization has launched a policy of outposting Information Officers to selected capitals, with a brief to develop close working relations with specialist writers and broadcasters covering issues relevant to FAO's mandate. So far officers have been located in Madrid, Paris, London and Geneva, and recruitment for Stockholm and Berlin is in process. An office in Stockholm has also been opened using a consultant retiree. Regional Information Officer posts have been retained in Bangkok and Washington, while Santiago, Accra and Cairo are encouraged to use locally recruited non-staff human resources to cover their communication needs.

### **H. ADVOCACY, FAO AMBASSADORS PROGRAMME, WORLD FOOD DAY**

34. A Unit for Liaison with National Committees was created in 1997 and dealt with some aspects of advocacy and corporate communications through World Food Day (WFD) and the FAO Ambassadors Programme (FAP). In 2006, it was merged with TeleFood, the International Alliance against Hunger (IAAH), and civil society and private sector partnerships to constitute the Office of World Food Summit Follow-Up and Alliances. Following the Conference of November 2005, these functions were merged into the new KC Department, excluding the IAAH and the civil society/private sector. In line with the recommendations of the evaluations on TeleFood and Communicating FAO's Messages, this new institutional setting has fostered improvement and integration of synergies and brought some efficiencies in dealing with advocacy and public awareness campaigns through World Food Day, TeleFood and the FAO Ambassador's Programme. WFD continues to prove a major opportunity for the Rome-based Agencies to collaborate in the context of working together both at the Headquarters and at the country level. In this regard, it is the intention to pursue opportunities for further cooperation with the Rome-based Agencies.

### **I. IMPLEMENTING A COMPLETE AUDIT FUNCTION**

#### *Global Audit*

35. As part of his overall assessment of the Organization, in June 1994 the Director-General requested up-to-date audit reports on the five FAO Regional offices and 75 Field Offices around the world. A global effort was mobilised by the Office of the Inspector General, and within the 5-week time limit, up-to-date independent internal audit reports were available to permit an assessments of the overall quality of management of field operations. Detailed information and analyses on the activities of the individual representations and regional offices were also prepared, which provided an additional source of objective information for decision-making on the staffing,

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organizing, and restructuring the field offices in light of the Organization's decentralization objectives.

36. Other significant benefits resulted from this exercise, perhaps the most comprehensive global internal audit undertaking ever performed in the United Nations system. Several offices were visited for the first time, which had a significant impact on morale and created a favourable impression of the new relationship between Headquarters and the field. Moreover, a number of administrative anomalies were resolved on the spot and on several occasions the auditors were able to provide immediate assistance and advice to the staff in the representations. The accumulated material available in the audit reports was further analysed in the internal audit office and developed into specific recommendations for improved procedures and controls for application throughout the organization. The enthusiasm of the audit team also had a positive impact on other staff members in terms of their acceptance and support for the changes being made in the organization.

#### *Accounts of the Office of the Director General*

37. In January 1994, the Director-General instructed a process whereby Internal Audit reviews the expenditures incurred by the Office of the Director-General on a monthly basis, to provide the Director-General with assurance that the expenditures of his own office are in accordance with sound management practices and the financial rules of FAO and to enable him to assure FAO's Members of the proper use of funds entrusted to the Organization. This initiative set an example of transparency through effective implementation of the rules and regulations of the Organization and improved circulation of information. The reports are discussed by the Director-General himself with the relevant departments.

#### *Change of Internal Audit*

38. The importance of a strengthened oversight function within the United Nations system was recognised in the mid to late-1990s. In 1996, following the "global audit" exercise described above, regional internal auditors were posted in the four major Regional Offices. The Annual Reports of the internal audit office have been presented to the Finance Committee since 1996. In 1997, the "Office of Internal Audit, Inspection and Management Control" became the "Office of the Inspector-General" in order to better reflect the strengthened role of the internal oversight function, and the mandate of the Office was updated and modernised.

39. The Director-General decided, with the full support of the Finance Committee, that in recognition of the strategic importance of internal audit in the overall management of the Organization, and consistent with the international auditing standards, a Charter for the Office of the Inspector-General be developed and enshrined in the regulatory framework of FAO. The Charter, issued in 2000, consolidated the various elements and statements of the internal audit regime at FAO, and serves as a tool for keeping internal auditing relevant and up-to-date.

40. The Charter increased the independence of the internal audit function in FAO in two important ways, firstly by requiring consultation with the Finance Committee on appointment and termination of the Inspector-General, and secondly by affording the Inspector-General discretionary direct access to the Finance Committee. Furthermore, it formalized whistleblower protection.

41. The Office of the Inspector-General, along with the other internal audit offices of the UN system, follows the standards of the professional practice of internal auditing as promulgated by the Institute of Internal Auditors. Formal risk assessment methodology has been introduced for biennial audit planning. Furthermore, an independent Quality Assurance Review carried out by the Institute of Internal Auditors in 2007 made recommendations for further improvement which are in the implementation phase now.

#### *Audit Committee*

42. Following a recommendation of the former External Auditor and in accordance with FAO's commitment to the 100<sup>th</sup> Session of the Finance Committee, the Director-General

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established the FAO Audit Committee (Internal) in April 2003. The Committee, composed of five internal members and two external members, operates as an advisory panel to the Director-General and to the Office of the Inspector-General with the aim of providing guidance and assistance. Following current best practice trends, the Director-General has decided that, from 2008, the Audit Committee will be entirely comprised of external members.

43. The Audit Committee has raised the profile and autonomy of internal audit in FAO and had a favourable impact on the implementation of internal audit recommendations, catalysing clearance of backlog and timely implementation of new recommendations.

#### *Local Audit Programme*

44. FAO has operations in a large number of countries and many projects and activities are carried out in remote locations. These activities are covered by a control framework with specific financial rules and guidance and it is FAO's fiduciary responsibility to ensure that these controls are working in an appropriate manner. As it was not feasible for FAO's Office of the Inspector-General to cover all locations on a regular basis, the Local Audit Programme was started by the Director-General in 1995 following the decentralisation of activities to the field offices and subsequent change in the control structure. The aim of the programme was to "enhance the financial management and control environment of the field offices, by strengthening accountability for the completeness and correctness of the local accounts and improving internal control." These aims are highly relevant today, particularly under the increased decentralization of authority. The field and project offices operate a total of some 220 bank accounts and processed more than 250,000 transactions in 2006, representing over US\$ 275 million in disbursements.

45. In order to meet the stated objectives, the Organization engages local auditors, mostly internationally known accounting firms or their associates, to carry out regular audit work at these locations on a quarterly, semi-annual or annual basis, depending on disbursement levels. The LAP currently covers 78 FAO offices and generates 156 reports annually.

46. Following a reorganization of the Local Audit Programme in 2004, the frequency of audit has been aligned to the risk profile of the FAO Representations and the programme has been extended to large stand alone projects managed by HQ. Furthermore, the terms of reference have been fine tuned over the period to provide FAO with an audit opinion regarding the state of the accounts as well as the internal control structure in the FAOR/Project offices.

47. The Local Audit Programme is managed by the Finance Division. Local audits provide management with assurance on the reliability of the accounts, act as an "early-warning" mechanism, assist in identifying problems and risks, and act as a deterrent against malpractice by enhancing accountability and making FAO Representatives fully aware of their fiduciary responsibility. All audit reports issued by the local auditors are reviewed by the Office of the Inspector-General and the Finance Division and necessary corrective actions initiated.

## **J. EQUITABLE REPRESENTATION OF MEMBERS, GENDER PARITY AND TRANSPARENCY IN SELECTION**

### *Geographic Representation*

48. Between January 1994 and August 2007, FAO increased the proportion of Member States represented among the staff of the Organization from 68% to 81% with the number of non-represented countries reduced from 53 to 35 during this period. This is a significant achievement particularly in view of the fact that the total number of Member States had increased from 168 in 1994 to 189 in 2007. It is a result of a pro-active approach to promote a more equitable representation among the Organization's Member States. Moreover, the recruitment missions conducted with a view to identifying candidates from seriously under-represented countries also contributed to redressing the geographic representation status of these countries.

49. The adoption by the Conference in 2003 of a revised methodology for the calculation of geographic representation and its introduction in January 2004 further contributed to promoting a

more equitable representation among the Organization's Member States. Following the introduction of the new methodology, there has been a notable change towards a more equitable representation with an increase of 42% in the proportion of equitably-represented countries and a 32% decrease in the proportion of over-represented countries.

#### *Evolution of Gender Parity*

50. The proportion of female staff in the Organization on 1 September 2007 was 48%. In the Director category, the proportion of female staff amounted to 12%, while it reached 30% in the Professional category and 64% in the General Service category.

51. Between 1 January 1994 and 1 September 2007, the proportion of female staff in the Organization increased in all categories, as depicted in the table below. The increase in the proportion of female staff was achieved at the same time as the number of total staff decreased since 1994 from 5,560 to 3,580.

#### **Proportion of female staff per category as at 1 January 1994 and 1 September 2007 and increase/decrease in percentiles**

Category	1994	2007	Increase/Decrease
<b>Directors</b>	2%	12%	<b>+10</b>
<b>Professionals</b>	17%	30%	<b>+13</b>
<b>APOs</b>	28%	48%	<b>+20</b>
<b>NPOs</b>	0%	28%	<b>+28</b>
<b>General Service</b>	56%	64%	<b>+8</b>
<b>Total</b>	<b>41%</b>	<b>48%</b>	<b>+7</b>

52. In total the proportion of female staff increased by 7 percentage points during this period from 42% to 49%. The proportion of females in the director and professional categories also increased, by 10 and 13 percentage points respectively. Thus, the proportion of female professional staff was 30% as at 1 September 2007, which is 5 percent below the Organizational gender parity target of 35%.

#### *Transparency in Selection – Director and above category*

53. With a view to promoting transparency in the selection and appointment of candidates to posts in the Director and above category, revised procedures were introduced requiring the issuance of vacancy announcements for vacant senior posts at the D-1/D-2 and at the Assistant Director-General level, as well as the pursuance of other outreach approaches in the identification of potential qualified candidates for such posts. These procedures also require that subsequently a short-list be formulated and, thereafter, the best candidate(s) be interviewed and assessed by senior officials of the Organization, including *inter alia* the Deputy Director-General, Directeur de Cabinet and Assistant Director-General or Head of Office concerned. The appointment is then made by the Director-General taking into consideration the assessment of the senior managers.

### **K. IMPROVEMENT OF WORK/LIFE BALANCE OF STAFF MEMBERS**

54. A series of Human Resources policies have been introduced by the Director-General since 1994 to improve the work/life balance of staff members in the Organization. These policies were introduced in FAO following the adoption by the Administrative Committee on Co-Ordination (ACC – the present CEB) of a Work/Family Agenda Policy Statement in 1995, to creating and maintaining a family-supportive work environment.

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### *Adoption Leave*

55. Adoption leave was formally introduced at FAO in 1999. It consists of a special leave with full pay, up to a maximum of ten weeks, for the adoption of a child. Special leave for adoption purposes should not be taken in “tranches” but must be taken on a continuous basis starting from the date of the child’s arrival in the adopting staff member’s home. The granting of special leave for the adoption of a child is not subject to a qualifying period of prior service.

### *Maternity Leave and Breastfeeding*

56. In May 2001, FAO supplemented its maternity leave provisions with the introduction of a policy on breastfeeding. The overall objective of the introduction of the policy was to help nursing mothers to continue breastfeeding their infants or supplying their milk. FAO’s policy on breastfeeding provides essentially that a mother who is breastfeeding may absent herself from work for one hour daily for the purpose of nursing her child(ren). To allow her to do so, in addition to the above, a reasonable time off for commuting is also granted, subject to a maximum of 60 minutes per day.

### *Paternity Leave*

57. In 2005, FAO introduced a policy on paternity leave in order to complement the leave policies adopted by the Organization during the course of the past few years (e.g. adoption leave, special leave for family-related emergencies).

58. The FAO policy on paternity leave is applicable to all male staff members of the Organization holding a fixed-term appointment (with at least one year of service) or continuing appointment for the birth of a child. When both parents are FAO staff members and the mother is entitled to maternity leave, the father’s entitlement to paternity leave shall not be hindered.

59. The paternity leave is for a maximum of four weeks for the birth of a child. In exceptional cases (such as complications at birth or with the child, or demise of the mother during birth or shortly thereafter), or when an internationally-recruited staff member is assigned to a non-family duty station, a maximum of eight weeks of paternity leave may be granted.

### *Part-Time at 80%*

60. In August 1996, FAO established a policy on part-time employment at 80% of the full working schedule for General Service staff members at Headquarters. The provisions on part-time employment were later reviewed in order to introduce more flexibility and part-time employment at 50% was extended to General Service and Professional staff members. The authorization to work on a 80% part-time basis has been granted in some cases to Professional staff members.

### *Special Leave for Family Emergencies*

61. FAO introduced provisions in its Administrative Manual on special leave for family-related emergencies in recognition that work/family balance may require leave to attend family emergencies.

### *Spouse Employment*

62. In April 2004, FAO introduced a spouse employment policy allowing spouses of staff members to compete for positions within the Organization and to be employed under non-staff contractual instruments. The FAO policy is applicable equally to all categories of staff.

63. Bearing in mind the necessity to ensure that preference is not given by virtue of the relationship to a staff member, the policy embodies a set of principles and safeguard measures aimed at curbing any potential risks of abuse. The candidature of staff members’ spouses who apply for employment is subject to the established Regulations and Rules governing recruitment of staff and non-staff human resources by the Organization. Specific safeguard measures have been incorporated in the recruitment procedures to ensure that, whenever the candidature of a staff member’s spouse for an assignment or appointment with the Organization is under consideration,

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the case shall be reviewed by a third party not directly involved, namely either the Director of the Human Resources Division or the Director-General, as appropriate.

#### *Teleworking*

64. In order to offer staff members a greater flexibility in their work location, FAO introduced a policy on teleworking in 2002. The policy was first introduced on a trial basis for staff at Headquarters. In 2004, given the positive results obtained, it was decided that teleworking should be established as a formal human resources management policy at Headquarters and teleworking arrangements were also introduced for staff in Regional Offices. FAO's policy on teleworking has now been incorporated in FAO's Administrative Manual.

### **L. CONTINUING UPDATE OF MEDICAL SERVICES FOR STAFF**

65. The existing medical services for the Organization's staff have been improved since 1994 through the introduction of the following specific measures:

#### *Establishment of the Advisory Committee on Occupational Health and Safety*

66. An Advisory Committee on Occupational Health and Safety has been established to provide a forum for active consultation with staff representatives on the prevention and resolution of occupational health and safety problems. The Committee also serves to bring representatives of management and staff together to review and discuss the aforementioned problems as well as make recommendations aimed at ensuring that the staff at large are aware of FAO's health and safety policies. In addition, the Committee assists with educating both management and staff on health and safety issues. In fact, the Committee has contributed to improving cooperation of management and staff with a view to working towards a healthier working environment.

#### *No-Smoking Policy*

67. The policy was introduced in May 1998, and following the closure of the Atrium in 2000, FAO became a completely smoke-free environment. This has led to a healthier work-environment as well as improving staff members' health in general, by reducing consumption by smokers and removing the dangers of second-hand smoke to non-smokers.

#### *New Preventative/Early Detection Programme*

68. Preventive and early detection programmes (for Breast, Cervical and Colon Cancers, as well as Cardiovascular Risk Factors and Headache) have been made available to both staff-members and their dependents, have actively helped to reduce illness through early detection and treatment. This in turn has translated into reduced health care costs in the medium to long term.

#### *Workstation Ergonomic Programme*

69. The workstation ergonomic programme has significantly reduced the number of work-related muscular skeletal conditions. The resulting decrease in related sick leave, and an improvement in work efficiency can both be viewed as ancillary gains.

#### *Staff Counselling Service*

70. Counselling and assistance is offered to staff members whose work and lives are affected by stress or personal problems. Long term treatment is not provided but rather short term and crisis intervention which may be continued by an appropriate outside care-provider if the staff member wishes. In addition, the staff counsellor may facilitate an encounter group in which staff members may participate to learn how to communicate more effectively with each other as well as to deal with personal problems that pose a threat to their health and well being. This service is provided by a qualified psychiatrist and psychoanalyst with experience in individual and family therapy. The result has been an improvement in the psychological support for staff and families, which also positively impacts on work performance.

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### *Private Travel Clinic*

71. In response to the many requests from staff members, a Travel Clinic has been set-up and is available to all staff members of FAO, WFP and IFAD, as well as their dependents. The Service includes the travel vaccinations and malaria prophylaxis based on the recommendations of WHO. Insect repellents and basic medication for diarrhoeal diseases are also available.

#### *Walk-in-Clinic (Outside Doctor on Premises)*

72. This provides a primary care/family physician service for staff members and their dependents covered by Van Breda medical insurance and consultants/subscribers covered by De Besi insurance. This Service is free-of-charge and is directly and fully reimbursed to the Medical Service by the health insurances. It provides high quality primary care and advice as well as referrals to outside specialists where necessary. It is provided on a private and strictly confidential basis and no medical information is available to nor can be accessed by the FAO Medical Service.

#### *New in-house Curative Services (Physiotherapy, Private Laboratory Tests, Pharmacy/Dispensary)*

73. The Medical Service, in response to many requests from staff members, offers the in-house curative services. The introduction of these services has entailed the establishment of physiotherapy and private laboratory tests facilities, as well as the opening of a pharmacy, on premises. The intention is not only to add to the convenience of patients but also to enhance the therapeutic value by offering easy access to quality care and medications.

74. These services, as well as the Private Travel Clinic and Walk-in Clinic described above have helped to significantly reduce absences from work, as well as lowering healthcare costs through use of direct billing to the medical insurers.

#### *New Electronic Sick Leave Surveillance System*

75. The SLMS (Sick Leave Monitoring System) introduced in 1994 captures all certified medical and maternity leave and allows an analysis of sick leave trends over time at various levels of the Organization by category, gender, age and illness and provides quantitative information on the direction of activities and their results. The introduction of this system has improved epidemiological information available to the Medical Services.

#### *New Integrated Occupational Health Information System*

76. The Integrated Occupational Health Information System, which was introduced in 2000, is a commercially available, module based application used by many Fortune 500 companies, which captures the medical areas of the work of the Medical Service, i.e. all clinical work, laboratory results, vision tests, work-related accidents and illnesses and provides a tailored scheduling mechanism. It is also the repository of all patient related documents and a complete electronic medical file. It has extensive reporting capabilities by standard as well as self-programmed reports and provides all health management information. It is presently extended to the Social Security Unit to capture costs related to service-incurred accidents and illnesses. As it has now migrated to a web-based versions, it is planned to be extended to Regional Office Medical Services accelerating medical information exchange enormously by obviating the need to send any medical documents.

77. The introduction of the Integrated Occupational Health Information System has led to a great improvement in health management as well as allowing for a fully electronic Patient Record.

#### *Reorganization of Space/Function (Reception, Emergency Room, Laboratory)*

78. The reorganisation of the space allotted to the medical unit at FAO has significantly improved the overall services offered to staff-members, and provided a comfortable and professional environment in which such services should be given. In addition, patient information has been improved, as has the workflow of the Medical Service.

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## **M. FROM DISPERSED ADMINISTRATIVE UNITS TO THE SHARED SERVICES CENTRE (SSC)**

79. In 1994, the provision of administrative, financial and HR support services to technical divisions and field offices was being carried out by a mixture of divisional Administrative Units, Departmental Management Support Units and central AF services such as the personnel servicing group in AFP (now AFH). Such a structure was inconsistent, fragmented and also costly in terms of the dedicated resources required to deliver the sum of these services to staff across the Organization.

80. In 1995, the whole service delivery model was changed to that of departmental and Regional Office MSUs providing the full range of administrative, financial and HR services to HQ departments and to each of the four regional offices respectively. Each MSU had a personnel servicing group, a budget & finance group and an IT Officer. In setting up the new MSU structure and the consequent abolition of divisional Administrative Units, substantial savings were achieved.

81. In 2000, with the implementation of Oracle Financials, the Headquarters departmental MSUs were consolidated into a single Management Support Service (MSS) with a consequent saving of 55 General Service (GS) and 12 professional posts. In the following years, further efficiencies were made in the MSS structure which resulted in additional savings of 12 posts (1 D-post; 1 professional and 10 GS).

82. The consolidation of administrative units to MSUs and then to the MSS resulted in net savings of US\$ 6 million per year.

83. In 2006, the MSS was transformed into the Shared Services Centre and plans are well underway to restructure the way that SSC services are delivered to the Organization world-wide. By the beginning of 2008, the current SSC/HQ and four Regional Office MSUs will be replaced with a "time-zone" structure of 3 SSC processing hubs (Santiago, Budapest and Bangkok) with a small coordination centre remaining in Rome. With the abolition of the two MSUs in Accra and Cairo, and the off-shoring of a large volume of SSC work from Rome to Budapest, ongoing savings in the region of US\$ 8 million per biennium will be achieved, once fully implemented, mainly in view of the GS staff cost differential between Rome and Budapest.

## **N. LOGISTICAL IMPROVEMENTS ON BUILDINGS**

### *Reception Hall and Atrium*

84. A number of measures have been undertaken since 1994 towards enhancing the working environment at FAO Headquarters, many of which have been possible thanks to generous contributions from the Italian Government.

85. On the occasion of the first World Food Summit in November 1996, the entire entrance area to building B and the area between the two buildings A and B underwent radical changes. A mezzanine floor was introduced in the Hall of Flags in order to accommodate the new Iran Room auditorium and a lobby area on the upper level while the Flag Hall was refurbished on the lower level. The new main FAO reception hall was relocated to building A in 1996 with additional renovation work in 2001-2002. In November 1999, the FAO Atrium was inaugurated, and has since been regularly used for meetings and various exhibitions and events.

### *Meeting Rooms*

86. As a result of the generous contribution of donor countries, a large number of meeting rooms at the FAO Headquarters have been refurbished since 1994. In addition, during this period, several countries have contributed to the establishment of new official rooms to be used for a wide range of functions; these rooms have included delegate and registration centres, press club and meeting rooms. The most recent addition is the new ECTAD Crisis Management Centre

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(CMC), which was established in 2006 to coordinate responses to crises in transboundary pests and diseases of animals and plants, as well as food safety crises.

87. The refurbished rooms include new furnishings and layout. Improvements to technical installations cover new air-conditioning, electrical systems and improved room lighting control which meet the latest health and safety codes besides providing state-of-the-art technology. In many cases, the rooms have been furnished with new simultaneous interpretation booths projectors, video-conference facilities and computers.

88. The rooms which were refurbished are indicated below, with the date of refurbishment:

Flag Hall	(1996)
Queen Juliana Room	(1996)
Malaysia Room	(1997)
India Room	(1999)
Canada Room	(1999)
Green Room	(1999 and 2003)
King Faisal	(1999 and 2006)
Austria Room	(2000)
Pakistan Room	(2001)
Nordic Lounge	(2001)
Belgium Lounge	(2001 and 2003)
Mexico Room	(2001)
Cuba Room	(2002)
German Room	(2006)

89. The new rooms established since 1994 are:

Caribbean Lounge	(1995)
Iran Room	(1996)
Egyptian Wing	(1996)
Espace Gabon	(1999 and 2003)
UEMOA	(1999 and 2003)
Slovak Centre	(2001)
Korean Centre	(2001)
ECTAD CMC	(2006)

#### *Common Areas*

90. Throughout the Headquarters premises, extensive improvements were undertaken since 1994 to common areas. These improvements included a wide-range of interventions and major renovation works.

91. One of the major projects was the renovation of the FAO Main Catering Facility on the 8<sup>th</sup> floor building B and included the construction in 2002 of a new cafeteria, kitchen and related works on the terrace. Within this project, most of the 8<sup>th</sup> floor slab was structurally reinforced.

92. The David Lubin Library was another major important renovation which was completed in 2006, where three floors of book stacks with high fire risk were fitted in a single basement modern compactus system to ensure the safe-keeping of the collection. The new facility on the

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ground floor of Building A also allows for more efficient use of available space for consultation and research. The work was carried out by the Italian Ministry of Public.

93. The complete renovation of building E was also carried by the Italian Ministry of Public in 1997 through 1998. The building was stripped to the structural frame and totally re-built to accommodate an FAO training centre amongst other facilities.

94. Other renovation work in common areas include:

- Catering facilities renovations: Bar A (1997) and Bar D and lounge (2001);
- Registration and visitors centres: temporary Indonesian Registration Pavilion at small car park (1996) and Turkish Registration Centre at the entrance of bldg A (1998);
- Credit unions and banks: FAO Credit Union (1997 and 2006), United Nations Federal Credit Union (UNFCU) (2007);
- Salesroom and storages: Commissary (2002, 2005), Money and Medals shop (1999), new pharmacy (2006);
- Divisional Libraries FO library (2004), ES library (2003); and,
- Summertime travel agency (1997).

#### *Air-conditioning*

95. In 1994, only building D and the recently-constructed buildings E and F had offices equipped with air-conditioning. The offices of the other buildings were serviced with a limited number of window air-conditioners. The Organization was required to release staff from their duties if the external temperature at 2.00 pm exceeded 35°C. In the summer periods, the high humidity levels of Rome directly impact the working conditions and staff leading to a natural impact on work performance.

96. In 1994, the installation of air-conditioning in all offices was initiated. A centrally controlled water cooled air-conditioning system was installed on the top floors of building B. At the same time, a pilot project with variable refrigerated fluid was started on the top floors of building C. This new system proved to be more efficient than the water cooled system so its installation was extended to all remaining buildings including in chronological sequence, building C, the lower floors of building B (1<sup>st</sup>, 2<sup>nd</sup> floors) and building A (1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> floors).

97. By year 2000 all offices and public spaces were equipped with air-conditioning at the FAO Headquarters. To save energy, the heating, ventilating and air-conditioning system operating hours are controlled centrally and staff are reminded to take energy-saving steps concerning the use of shutters and windows, and temperature settings.

#### *Climate Neutral and Environmentally Sustainable Practices*

98. Besides energy-saving measures related to heating and air-conditioning, FAO has taken several steps to make its operational practices more climate neutral and environmentally sustainable. For example the inter-agency electrical supply tender includes the purchase of green certificates, and the headquarters heating plant has been converted from diesel to methane. Staff are encouraged to utilize mass transit to travel to work and special parking space is provided for bicycles and carpools. Furthermore, the Organization encourages the use of video-conferences in lieu of travel to meetings where appropriate.

99. FAO aims to recycle 90% of the waste matter produced at headquarters, up from 70% at present, and notes that 10% of paper used is currently recycled. Meanwhile, the increased use of double-sided printing and copying, along with other measures, has reduced FAO's paper consumption by half since 2002.

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## O. TELEPHONY

### *Desk telephones*

100. At the start of 1994, FAO Headquarters still had a manual switchboard. Any incoming call was connected to a staff member by a telephone operator, and any outgoing call required operator intervention. This unsatisfactory situation was addressed later in 1994 by installation of an automatic switchboard which is now connected to multiple telephone service providers to benefit from the reduced calling costs due to competition following deregulation of the telecommunications market in Italy.

101. Developments in other locations followed a similar path, with newly-opened offices benefiting from the best technology available in their locations, culminating in installation in recent times of “Voice over IP” (VoIP) switchboards in some countries.

102. These efficiency measures have led to an estimated annual saving of US\$ 1 million in communication unit costs.

### *Skype*

103. FAO has also made use of VoIP technology from Skype to reduce calling costs, especially in some countries where Internet is widely available but the voice telephony market has not been deregulated. Guidelines have been published about when use of Skype is appropriate and how to use it in an effective and safe way. The decision when to use Skype is fully delegated, within guidelines.

### *Videoconferencing*

104. FAO uses videoconferencing technology extensively. Its usage has increased throughout the last decade, as the national telecommunications networks in more places have become capable of supporting it. This has enabled remote collaboration in ways never before possible.

### *Cellular phones – Blackberry*

105. In December 1994, there were only 15 cell-phones in use in FAO Headquarters. Of these only 2 were of the system “GSM” which has since become wide-spread throughout the world. Use of cell-phones in other locations was negligible owing to limited availability and the high cost of such services. As of August 2007, 1,250 GSM cell-phones were in use in FAO Headquarters, and nearly every FAO office makes use of the cell-phone services available in that locality.

106. Within the Headquarters complement of cell-phones, as at August 2007, 70 BlackBerry devices were operational to also support mobile email access. An additional 200 Blackberry devices are expected to be operational by year end.

107. Decisions to authorise cell-phones and BlackBerry devices are decentralised to budget holders and managers, on the basis of business value. The reasons why cell-phones are used include:

- management and staff who require to place/receive official calls or read their e-mail while not in office or at their desk;
- persons on standby while at home, in case emergency attendance at the office is required (e.g. within AFS, KC, or for duty officers);
- permanent or temporary tele-workers, if the home telephone line may be used to connect to the corporate network;
- press liaison personnel;
- conference support staff, when serving both in and outside of FAO premises;

- frequent travellers, especially those going to places with security concerns in addition to other communication means required under the Security Phase in place at destination, for example UHF radios, walkie-talkies;
- persons to whom a pager would have been issued in the past.

## **P. RISK MANAGEMENT AND SECURITY INVESTMENTS**

### *Electrical Systems*

#### Power loop for headquarters buildings, power generators and UPS machines

108. A new power supply loop for the Headquarters complex comprehensive of 5 workstations was completed by 1996. The loop is connected to a selected city circuit that powers ministries and public buildings. The voltage difference, number and age of the previous substations were too complex and dangerous especially with the higher power, quality, safety and security requirements.

109. The growing need for quantity and quality power supply for special usages such as the meeting rooms, Computer Centre, telephone PABX and alarm systems required means of maintaining uninterruptible power supply at all times. Two new large size UPS machines with separate independent battery packs and the two generators have been installed and are part of the headquarters main means to avoid single points of failure when a black out takes place.

#### *Computer Centre and Disaster Recovery Computer Room*

110. The Computer Centre originally in building B has been dismantled and moved to a re-built structure in building C. This was done in order to ensure state of the art spaces for the data control equipment as well as new dedicated power supply. A Disaster Recovery room was also created in building D in order to duplicate data while ensuring continuity should an emergency or unexpected event take place.

#### *Fire Protection System and Safety Measures*

##### Emergency stairs

111. The most important conference building has been equipped with new emergency stairs. These enable all meeting rooms and office occupants to evacuate safely from building A should an emergency occur. The work was carried out by the Italian Ministry of Public Works within the existing building shell in order to comply with the historical features of the facades.

112. A new emergency exit for building B staircase was opened directly to the outside of building B in order to ensure proper evacuation of this wing of the building which has high occupancy levels.

##### Handrails on roofs

113. The amount and complexity of the equipment installed on the roofs such as communication and TV antennas of all types, external HVAC units and elevator penthouses besides the need to carry out the ordinary maintenance of the roof tops for waterproofing and cleaning have been exposing maintenance staff to unnecessary risks whenever requested to attend to these duties. In agreement with the architects of the Italian Ministry of Public, handrails with incorporated lightning protection captors are being placed close to the internal roof eaves while anchoring supports and procedures will be used for the external roof eaves. These features will ensure safe working conditions.

114. The repaving with tar of the obsolete cobblestone paving of the main Commissary road that connects buildings C, D and F and the addition of a sidewalk for the pedestrians is a recent safety addition to the premises. This reduces the risk of accidents and ensures clear distinction vehicular and pedestrian transit besides handicapped access.

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### *New Security Offices*

115. The new offices for the Security Unit (AFDU) allow for the enlarged scope of its new work and responsibilities while guaranteeing a vital position in the headquarters building complex for rapid intervention. The offices are located on the ground floor of building B with all related functions interlinked including direct proximity to the Control Room.

### *Security Measures*

#### Security Expenditure Facility

116. The Security Expenditure Facility (SEF) was proposed by the Director-General and established by Conference Resolution 5/2005. It provides a financial planning, monitoring and accountability framework for comprehensive coverage of staff and non-staff costs directly related to security and safety of the Organization's staff and assets, both in Headquarters and in decentralized locations. Programme 9A covers the protection of people, property and premises at Headquarters, and for related coordination with Government authorities; Programme 9B provides for the development and implementation of the FAO field security policy as well as the implementation of field security measures in all FAO locations.

### *Headquarters Security Enhancements*

117. An increasing importance has been attributed to security over these past years. The FAO headquarters compound has had to comply with such requirements as stated in the UN Minimum Operating Security Standards (MOSS). In this respect, a series of protective passive and deterrent measures have been undertaken progressively with regard to enhancing the technical installations as well as security personnel training for controlling access to and circulation around the premises. Measures were introduced such as the reinforcement of security around the perimeter of the premises, installation of window films to all external windows of the headquarters buildings to mitigate the impact of glass shattering, placement of a new CCTV system, establishment of remotely controlled road blockers at all vehicular gates, setting up of external turnstiles at all pedestrian entrances together with guard houses to ensure control over entering and exiting staff and visitors.

### *Field Security Enhancements*

118. The Organization promulgated a new Field Security Policy in July 2003 and established a unit dedicated to safeguarding the security of FAO field personnel and field locations. The Organization has implemented a large number of additional security measures to safeguard its staff and assets based in decentralized locations. These actions include:

- liaising with the United Nations Department of Safety and Security (UNDSS) and the Inter-Agency Security Management Network (IASMN) regarding security policy matters and the UN Unified Security Management System;
- coordinating training for travellers to problem countries;
- providing Minimum Operating Security Standards (MOSS) equipment to FAO Representations, Regional, Subregional and Liaison Offices in accordance with policy established by UNDSS; and
- providing Minimum Operating Residential Security Standards (MORSS) equipment and services to strengthen security at the residences of FAO decentralized personnel.