Chairs' Aide Mémoire -Joint Meeting of CoC-IEE Working Groups I & III
Monday 28 July 2008
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Technical Cooperation Programme(TCP) Regional Allocations and Project Approvals

1) **Technical Cooperation Programme (TCP) Regional Allocations:** The Working Group endorsed for consideration by the CoC-IEE the indicative allocations to regions for the immediate future as summarised below and discussed in the management presentation (Annex 1). It was agreed that these reflected a greater emphasis on the Least Developed Countries, as well as Low Income Food Deficit Countries, Small Island Developing States and Land Locked Developing Countries. The regional allocations should be reviewed by the Council every four years, in line with the Medium-Term Planning cycle. Unused funds would be reallocated between regions at the end of each year. Fifteen percent of resources would continue to be managed centrally for allocation to emergencies.

Indicative Technical Cooperation Programme Allocation by Regional Office Coverage*					
Regional Office*	Africa	Asia and Pacific	Latin America and Caribbean	Europe	Near East
Number of Countries Covered by Regional Office	47	34	33	27	14
Indicative Allocation (percent)	40%	24%	18%	10%	8%
* It should be noted that Regional Office Coverage is significantly different from the regions for purposes of election to the Council (see Annex 1)					

2) **Guidelines for allocations to Countries within Regions by Regional Representatives**: It was reaffirmed that all countries should have access to TCP, but for high-income developing and developed countries this should be on the basis of full cost recovery (for the purposes of this definition all members of the European Union were considered to be part of this group). TCP on grant terms should favour the Least Developed Countries and those who had developed a National Medium-Term Priority Framework for their cooperation with FAO. Some Members considered that upper middle income countries should receive TCP only subject to full cost reimbursement, as with developed countries.

3) **TCP Project Cycle and TCP project approval guidelines:** It was agreed that following review by the Programme Committee during 2009, the Council should review a TCP cycle which would:

  a) further clarify the existing Council approved guidelines and criteria for project approvals (in this context Members emphasised the convergence of countries' needs and the Organization's agreed Strategic Objectives and Organizational Results);
  b) clarify the project cycle - specifying the steps and responsibilities for clearances at each stage of the process, simplifying the number of steps, and with delegations to decentralized offices at the lowest level possible;
  c) clearly specify timelines for each stage of the process so that managers can be held accountable;

     and
  d) note was taken that a certain minimum of information was necessary from countries for approvals and this was not always provided, so there needed to be clarity also on this issue; and

e) there should not be universal criteria for the proportion of TCP funding to go to Regional and sub-regional projects, as this varied from region to region. It was clear that most resources should go to individual countries and that in most regions the sub-regions, with their economic groupings, etc. would be important.

4)   It was agreed that it would be desirable for management to organise an information seminar on TCP open to all Members in September.

Annex I: TCP allocation to regions and considerations in TCP country allocations and approvals

At their joint meeting of 1 July 2008, the CoC-IEE Working Groups I and III highlighted the main principles that should guide the regional allocation of TCP resources and requested management to provide further suggestions on this matter for consideration by a joint meeting of the Working Groups. Furthermore, information was requested on the criteria that Regional Representatives would take into account when allocating resources to the subregions and individual countries, on the use of the TCP Facility and approval of individual projects.

Regional allocation:

In the discussions of the Working Groups on the issue of regional allocation, there was some cohesion of views around the following:
* a minimum amount of TCP resources should be available for each country in a region;
* the TCP regional allocation should reflect the needs of the poorest countries, defined as the group of Least Developed Countries (LDCs), with particular priority accorded to Africa; and
* the Council could fix the proportion per region periodically.

It was also indicated that the effective allocation in recent years of TCP resources between regions should be used as one of the elements for defining regional allocation.

The regional distribution of TCP funds over the last three biennia (2002-2007) is reflected in Table 1 below which shows the distribution both with and without resources allocated for emergencies (interregional projects are excluded in both cases). Given that the Working Group Members consider that the regional TCP resources should be allotted to the Regional Representatives/ADGs, the distribution shown refers to the operational responsibility of each regional office, and not to the regional groupings applied in the context of Council elections. The distribution of countries with access to TCP on a full grant basis under the operational responsibility of each Regional Office is attached in Annex 1.

Table 1: Effective regional distribution of TCP funds over the last three biennia

Regional Office	RAF	RAP	RLC	REU	RNE
Share of TCP appropriation (incl. emergencies)	38%	23%	21%	8%	10%
Share of TCP appropriation (excl. emergencies)	37%	21%	21%	9%	12%

Based on the guiding principles mentioned above and in light of the geographical distribution of LDCs (see Annex 1), the following indicative regional allocation of non-emergency TCP resources is suggested for consideration by Members:

Table 2: Proposal for regional allocation

Regional Office	RAF	RAP	RLC	REU	RNE
Number of countries in the region	47	34	33	27	14
Indicative allocation (excl. emergencies)	40%	24%	18%	10%	8%

In considering this proposal, attention is drawn to the following:

- of the total number of countries eligible for TCP assistance on a full grant basis, 30 percent depend from RAF, 22 percent from RAP, 21 percent from RLC, 18 percent from REU and 9 percent from RNE;
- of the 49 LDCs, 32 are in Africa (65 percent), 14 in Asia (28 percent), 2 in the Near East region (4 percent), 1 in Latin America and the Caribbean (2 percent) and none in Europe and Central Asia.
- the operational responsibility of the regional offices was modified in 2007. This particularly affected the distribution of countries between REU and RNE, as REU took over the responsibility for the Central Asian countries, while two countries where transferred from RNE to RAF (please see Annex 1 for details). This is important when comparing the proposed allocation with the past effective allocation for these three regions;
- the resources for emergency and interregional projects will be managed by headquarters and will be allocated between regions according to needs.

It should be noted that it remains the responsibility of the ADG-TC to ensure that the full TCP appropriation is committed within the biennium in which it was approved. Therefore, the use of the regional allocations will be closely monitored and uncommitted regional allocations will be reprogrammed to other regions according to needs. In order to prevent a static application of the above proposed regional allocation and in order to allow for correction of any systematic over- or under-commitment of the regional allocations, the Council could be requested to consider and reconfirm the allocation every 4 years within the framework of the Medium Term Plan.

Management of the regional allocation by the Regional Representatives and procedure for individual project approval:

A decentralization model for the TCP, covering in particular the procedure for individual project approval, was the subject of an oral presentation at the meeting of the joint Working Groups I and III on 16 May 2008. It is again presented in Annex 2 for information, taking account of the discussions of the Working Groups since then.

All decentralized offices will be acting under the delegated authority of the ADG/TC on matters related to the TCP. Within this framework, it will be the particular responsibility of the Regional Representatives, assisted by the Subregional Coordinators, to ensure that the approval of all TCP projects continues to be demand driven and that approved projects meet the TCP criteria for approval endorsed by the Council in 2005 (attached in Annex 3), that the regional allocation be distributed to countries in a flexible and equitable manner, that the decision by the Council in 2005 that priority attention in the allocation of TCP resources be given to LIFDCs, LDCs, LLDCs and SIDS be respected and that the regional TCP allocation be fully committed. The respect of the guidance provided by the Council would be closely monitored by headquarters, which will retain the authority to take corrective measures if required.

Notwithstanding the above role of the Regional Representatives in managing the regional allocation, Management agrees to delegate the authority to approve individual projects to the Regional Representatives, Subregional Coordinators and FAO Representatives respectively. Management therefore proposes that a share of the regional allocation (suggested at four percent) be indicatively earmarked for regional projects to be approved by the Regional Representative. Similarly, a share of the regional allocation will be set aside for use by each of the Subregional Coordinators for approving subregional projects (proposed at 0.2 percent of the regional allocation per country in the subregion). These earmarked amounts for

regional and subregional projects are based on the average effective allocation for such projects over the last three biennia. However, these earmarked amounts are indicative only and could be reduced in favour of national projects should they be under utilized or increased, in consultation with the FAO Representatives, if the demand for regional and subregional projects warrants it.

The remaining regional allocation would be at the disposal of the FAO Representatives for approval of national TCP projects in accordance with the established criteria (Annex 3), including the access to USD 200 000 per country and per biennium under the TCP Facility modality. However, the Regional Representative will monitor that the effective allocation to each country does not exceed the highest level of TCP resources allocated to the country in the previous three biennia and will initiate a dialogue with the FAO Representative and the Subregional Coordinator should the requests received from a given country exceed this limit.

There would be no change to the modalities for the use of the TCP Facility which would remain available for use at country, subregional and regional level, allowing access to TCP resources under simplified procedures.

Distribution of Member countries with access to TCP on a full grant basis based onthe operational responsibilities of FAO Regional Offices

RAF	RAP	RLC	REU	RNE
Angola	**Afghanistan**	Antigua and Barbuda	Albania	Algeria
Benin	**Bangladesh**	Argentina	Armenia	Bahrain
Botswana	**Bhutan**	Bahamas	Azerbaijan	Egypt
Burkina Faso	**Cambodia**	Barbados	Belarus	Iran
Burundi	China	Belize	Bosnia and Herzegovina	Iraq
Cameroon	Cook Islands	Bolivia	Bulgaria	Jordan
Cape Verde	DPR of Korea	Brazil	Croatia	Lebanon
Central African Republic	Fiji	Chile	Hungary	Libyan Arab Jamahiriya
Chad	India	Colombia	Georgia	**Mauritania**
Comoros	Indonesia	Costa Rica	Kazakhstan[1]	Morocco
Congo	**Kiribati**	Cuba	Kyrgyzstan[1]	Oman
Côte d'Ivoire	**Lao People's Democratic Rep.**	Dominica	Latvia	Syrian Arab Republic
DR of the Congo	Malaysia	Dominican Republic	Lithuania	Tunisia
Djibouti[1]	**Maldives**	Ecuador	Moldova	**Yemen**
Equatorial Guinea	Marshall Islands	El Salvador	Montenegro	
Eritrea	Micronesia (Federated States)	Grenada	Poland	
Ethiopia	Mongolia	Guatemala	Romania	
Gabon	**Myanmar**	Guyana	Russian Federation	
Gambia	Nauru	**Haiti**	Serbia	
Ghana	**Nepal**	Honduras	Slovakia	
Guinea	Niue	Jamaica	Tajikistan[1]	
Guinea-Bissau	Pakistan	Mexico	Former Yug. Rep. of Macedonia	
Kenya	Palau	Nicaragua	Turkey	
Lesotho	Papua New Guinea	Panama	Turkmenistan[1]	
Liberia	Philippines	Paraguay	Ukraine	
Madagascar	**Samoa**	Peru	Uzbekistan[1]	
Malawi	**Solomon Islands**	Saint Kitts and Nevis		
Mali	Sri Lanka	Saint Lucia	Kosovo (Serbia)	
Mauritius	Thailand	Saint Vincent and the Grenadines		
Mozambique	**Timor-Leste**	Suriname		
Namibia	Tonga	Trinidad and Tobago		
Niger	**Tuvalu**	Uruguay		
Nigeria	**Vanuatu**	Venezuela		
Rwanda	Vietnam			
Sao Tomé and Principe				
Senegal				
Seychelles				
Sierra Leone				
Somalia				
South Africa				
Sudan[1]				
Swaziland				
Tanzania				
Togo				
Uganda				
Zambia				
Zimbabwe				

1) Transferred from RNE   **Bold**: Least developed country (LDC)

Model for the decentralization of the TCP

Principles

In accordance with the IEE recommendation and in line with the Organization's decentralization policy whereby FAO Representatives (FAOReps), Subregional Coordinators (SRCs) and Regional Representatives (RRs) are responsible for the entire project cycle in their respective area, and while making full use of established capacities, particularly in subregional multidisciplinary teams, it is proposed to decentralize authority over the TCP to all levels of the decentralized structure of FAO.

In so doing, however, the decentralized offices will act on TCP-related matters under the delegated authority of the ADG/TC, who, as is currently the case, acts on behalf of the Director-General. In particular, the decentralized offices must ensure that the TCP criteria continue to be respected, and that resources continue to be distributed flexibly and equitably across countries and regions, giving priority attention to the LIFDCs, the LDCs, the LLDCs and the SIDS, while fully committing the TCP appropriation.

The quality of approved projects will be ensured through technical clearance requirements and PPRC review, although consideration will be given to merging the PPRC review with the appraisal of projects against the TCP criteria, which significantly overlap with the PPRC criteria.

Proposed model

- At headquarters: Capacity will be retained to manage emergency and interregional projects and to endorse the appraisals of regional projects. Responsibility for technical clearance will remain with the concerned technical division at headquarters, which can delegate its responsibility to an appropriate regional or subregional technical officer. Furthermore, responsibility for corporate monitoring and oversight of the use of the TCP appropriation, and for reporting, will be placed at headquarters to guarantee the accountability of the Director-General for the use of the TCP resources in terms of finance as well as substance. Headquarters will provide guidance to the decentralized structure on all matters related to the TCP and will have authority to take remedial action in case the responsibilities assigned to the decentralized levels are not fulfilled.

- At regional level: The RRs will be responsible for managing the regional allocation of the TCP appropriation in close consultation with the SRCs and for ensuring its distribution for approval of subregional and country projects in accordance with the above-mentioned principles and with decisions taken as concerns earmarking of regional and subregional projects.

  In processing request for regional TCP projects, the RR will lead the formulation process in close consultation with the concerned technical experts (both decentralized and at headquarters), taking account of any FAO regional medium-term priority frameworks or other priority setting frameworks and of the level of earmarking of the regional allocation for such projects. At an appropriate time in this process, the RR undertakes the appraisal of the request against the TCP criteria and transmits the appraisal to the headquarters for endorsement. After having received technical clearance, endorsement of the appraisal and PPRC comments, the RR approves the project under delegated authority of the ADG/TC, acting on behalf of the Director-General.

In addition, the RR will review and endorse the appraisal against the TCP criteria carried out by the SRCs for subregional projects.

- **At subregional level**: The same project-related tasks as above apply, *mutatis mutandis*, to the SRC for subregional projects and taking account of the earmarked allocation for subregional projects.

  In addition, each SRC will be responsible for endorsing the appraisals of national projects prepared by the FAOReps of the concerned subregion. In close consultation with the RR, the SRC will also be required to monitor the use of TCP resources in the subregion and to support the FAOReps during the TCP project cycle, as required, in order to promote the use of TCP resources in the subregion in accordance with above principles.[1]

- **At national level**: The same project related tasks as above apply, *mutatis mutandis*, to the FAOReps for national projects, taking account of the content of NMTPF, UNDAF or any other priority setting agreed upon with the government, and with the appraisal being endorsed by the SRC[2]. However, as there is no earmarking by country of the regional allocation other than the universal access to the TCP Facility, the FAORep will consult with the RR before initiating the processing of a request for TCP assistance in order to ensure the availability of resources.

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[1] For countries that are not covered by a subregional office, the RR will play the role of the SRC.
[2] For countries with no FAORep, the concerned SRC would play the role of FAOR, with the appraisal endorsed by the RR.

Criteria for approval of TCP projects as endorsed by the FAO Council in November 2005

CRITERIA	DEVELOPMENT TCP ASSISTANCE	EMERGENCY TCP ASSISTANCE
1. Country Eligibility	All FAO Members are eligible for access to TCP-supported technical assistance. However, TCP gives special attention to assisting the neediest countries, especially the Low-Income Food-Deficit Countries (LIFDCs), Least Developed Countries (LDCs), Landlocked Developing Countries (LLDCs), and/or Small Island Developing States (SIDS). Access by high-income developing countries and developed countries to technical assistance through the TCP modality should only be on a full cost-recovery basis.	Fifteen percent of the TCP appropriation is indicatively earmarked for emergency and rehabilitation projects, accessible to all FAO Members.
2. Aims and Purposes	TCP-supported assistance should contribute to household or national food security, improved rural livelihoods and poverty reduction, in line with the World Food Summit target, the MDGs, and FAO's strategic goals and objectives, including those related to the provision of global public goods.	TCP-supported emergency and rehabilitation assistance should be provided in direct anticipation of or follow-up to emergencies that fall within FAO's sphere of action; assistance should be directed explicitly at restoring the livelihoods of the poorest and most vulnerable households affected by the emergency, and should seek to reduce the vulnerability of emergency-affected households in the future.
3. Country or Regional Priorities	TCP-supported assistance should be directed at national or regional priorities linked to the aims and purposes identified in Criterion 2 and, where they are in place, should be consistent with FAO's National Medium-Term Priority Frameworks and emerge from TCP priority-setting processes at the country level.	Emergency TCP assistance is not subject to any national priority setting process.
4. Critical Gap or Problem	TCP-supported assistance should be directed at a clearly defined critical technical gap or problem that has been identified by beneficiaries or stakeholders and which necessitates technical cooperation within the timeframe that can be provided by the Programme but which either cannot or should not be provided through other resources.	Emergency TCP assistance should be designed for very rapid response in support of interventions in thematic areas in which the Organization has a demonstrated comparative advantage.
5. Sustainable Impacts	TCP-supported assistance should result in clearly defined outputs and outcomes leading to impacts. It should have catalytic or multiplier effects such as increased mobilization of investment funds. The outcomes and impacts should be sustainable. TCP requests will not be accepted when they are a consequence of the ineffective follow-up to previous TCPs.	TCP emergency assistance should be directed at the provision of inputs for the sustainable rehabilitation of productive activities and of technical cooperation to support effective government (or donor) responses including the identification of necessary inputs. TCP-supported emergency and rehabilitation assistance should be directed at interventions that increase the likelihood of additional donor and/or government resources being directed to immediate relief and longer-term rehabilitation. Repetitive assistance to address recurrent types of emergencies in the same country should be avoided and be redirected towards more lasting impact assistance for the prevention of and preparedness for these same emergencies.

CRITERIA	DEVELOPMENT TCP ASSISTANCE	EMERGENCY TCP ASSISTANCE
6. Scale and Duration	No TCP project should require a budget of more than US$500 000 and should be completed within 24 months. The duration may be extended to 36 months, when justified, and on a case-by-case basis. The budget ceiling for a TCP Facility project is US$200 000 per biennium and the project should be completed by the end of the biennium in which it was approved.	
7. Government Commitment	Requests for TCP assistance should include a formal commitment by government/s or regional organizations to provide all necessary inputs, staff and institutional arrangements to ensure the timely and effective start-up, implementation and follow-up of the requested TCP-supported assistance.	
8. Capacity-building	Wherever possible, TCP-supported assistance should help build national or regional capacities to ensure that the critical gaps and problems to which they are directed would either not appear again or that they could be resolved effectively at the national or regional level.	TCP-supported emergency and rehabilitation assistance should increase the capacity of the government and affected communities and households to either withstand, or respond to, similar shocks in the future, without resorting to external assistance.
9. Gender-sensitivity	TCP-supported assistance must be gender-sensitive in identification, design and implementation, in line with the Organization's Gender Plan of Action.	
10. Partnership and Participation	Wherever possible, TCP-supported assistance should contribute to new or strengthened partnerships and alliances, including through co-financing, and should lead to the increased participation of food-insecure and poor men and women in key decision-making processes.	