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Independent Evaluation of FAO's Decentralization

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Independent Evaluation of
FAO's Decentralization

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EXECUTIVE SUMMARY

Introduction

1.   Enhanced decentralization was a major pillar of the comprehensive package of reforms launched by the Director-General in 1994. The central aim of the decentralization was to increase the Organization's relevance and ability to act in proximity to the problems of member countries. It was also seen as an opportunity to enhance the use of national capacities, to achieve economies in implementation, and to improve response time. Ten years later, this evaluation was commissioned by FAO senior Management and the Programme Committee of the Council to make a comprehensive independent assessment of this decentralization and to put forward recommendations to enhance the future benefits of decentralization to member countries.

2.   The evaluation was externally led and conducted by a team of five independent consultants, supported by three members of the FAO Evaluation Service. An extensive programme of visits was carried out covering all Regional Offices, Subregional Offices and Liaison Offices, as well as sixteen country offices. During these visits, the evaluation team held meetings with governments at ministerial and senior official level, as well as with other UN organizations and decentralized offices of the donor community, NGOs and the private sector. Throughout the period of the evaluation, meetings were held with senior staff in headquarters. Questionnaires were responded to by developing country governments and FAO staff in the countries, regions and at headquarters. Points made by countries to the FAO Governing Bodies were also reviewed and information was obtained from other UN agencies on their decentralization.

3.   Basing its work firmly on the evaluation terms of reference, the approach adopted by the evaluation team has been to:
*   take as its point of departure the importance of FAO ensuring optimal arrangements for serving the needs of developing countries;
*   recognise the evaluation's recommendations will have to be taken forward in the context of the cuts which have occurred in FAO's budget; and
*   not make any proposals for transfer of financial resources or posts from technical departments at headquarters to country or Regional Offices, in view of the essential normative work undertaken by those departments.

4.   Section 1.2 of the report summarizes the changes which took place in the decentralization, while the remainder of the report undertakes an analysis of the result of those changes. In undertaking this analysis and making its recommendations, the evaluation team was aware that the decline in FAO's resources, including extra-budgetary resources, had very much changed both the resources available to the decentralization and some of the assumptions on which the decentralization was based. The evaluation team was further informed that original plans for the decentralization, including the establishment of additional sub-regional offices had had to be cut-back or cancelled.

Evaluation Findings

5.   **Views of Member Countries and Other Stakeholders on the Effectiveness of Decentralization**: Countries, donors and the UN family were all found to be in favour of decentralization. Within this context, they emphasised decentralization of functions and authority. Judgements varied significantly by region and the evaluation found that in the Pacific and Caribbean islands expectations had been fulfilled. There was also an improvement in the countries of central Europe. Elsewhere governments, donors and other members of the UN family often said they had not seen evidence of greater FAO decentralization or its benefits.

6.   **Country Requirements for Development Support**: There were significant differences between regions and countries according to levels of development, in the type of assistance being

sought but there was a widespread demand for upstream support from FAO in developing and taking forward national policies and strategies. Trade was a major point of emphasis. Countries wish to turn to FAO for informed and neutral views in a fast changing and increasingly globalised world. At the same time, ministries of agriculture continue to look to FAO for a wide range of technical support. The emphasis of FAO's current response did not adequately reflect country demands, especially in the capacity to provide broad based strategic analysis and address upstream issues in particular sub-sectors.

7.   FAO's response to countries through the decentralized structures demonstrates some convergence with the goals of the Organization's Strategic Framework and the MDGs. Resource distribution also shows some correlation with the attention that needs to be given to LDCs, including those in Africa and to size of population dependent on agriculture. However, the evaluation did conclude that proportionality in the response to food insecurity and poverty needed to be strengthened, especially in countries with large numbers of food insecure in the agricultural sector, including India and China.

8.   The evaluation also concluded that it was important for FAO to clarify its priorities in each country. The evaluation recommends this should be in the form of national priority frameworks which should be developed under responsibility of the FAOR, in close consultation with the government concerned and with the support of staff from the Regional Office. The frameworks would be considered in depth at the Regional Offices and at headquarters. The evaluation found that country priority frameworks would be very much welcomed by governments and by other UN organizations and donors, keen to enter into partnerships with FAO (Recommendation 1).

9.   **Partnerships with the international community at country level**: The evaluation found that FAO was cooperating closely in the UN country team but partners considered that the lack of delegated authority to FAORs for TCP and for acceptance of small amounts of funds from donors, reduced possibilities for partnership. Closer collaboration with organizations such WFP and IICA, and in particular IFAD was particularly recommended (Recommendation 2).

10.   **Regional normative work**: Normative work was found to be essential in all regions on common problems for groups of countries and is of particular interest to medium-income countries. Work on the border line between normative and technical support for such things as food security assessment or development of sub-regional trade often has a particular application in the least developed countries. The evaluation concluded that strong links between global normative work and the specific normative requirements of individual countries, groups of countries and regions are essential. However, the present arrangements are not fully achieving this, due to an inadequately interactive system for consolidated analysis of regional needs for normative work, and a need for stronger links between the decentralized offices and headquarters in the planning and execution of normative activities. It is recommended that, driven by the regional representatives and Regional Conferences, regional normative work should be instituted in the Organization's Medium Term Plan and that this should integrate work by staff from headquarters as well as those in the regions (Recommendation 3).

11.   It was also recommended that Regional Conferences should be flexibly designed as to format and content to meet the needs of the region and that their voice should be institutionalised in the Organization's planning and budgeting processes, particularly with respect to activities for the region (Recommendation 4).

12.   **Country office presence**: The evaluation found that modalities of country coverage had not been adjusted in line with needs and available resources and this had limited FAO's effectiveness. The number and length of vacancies in FAOR posts was one of the most evident and damaging aspects of the budget shortfall. The evaluation considers that to respond effectively, some adjustment in coverage of FAORs is needed to ensure that appropriate attention is given to poor countries where agriculture is of major importance and where there are large numbers of

undernourished people. Attention is also needed to countries with high needs for assistance which have little or no coverage at the moment, in particular the CIS group of countries. At the same time, there are some countries with small numbers of undernourished, where agriculture plays a less dominant role and where responding to needs does not require the same presence. For these countries, more appropriate means of providing coverage, including multiple accreditation, with frequent visits is desirable (Recommendation 5).

13.   The evaluation reviewed and made proposals for a number of options in increasing resources for FAO country offices. These include sharing of resources with the Field Programme, the use of volunteers and secondments and the use of local expertise in country advisory panels (Recommendation 5).

14.   The new **FAOR/Outposted technical officers (FAOR/OTO) scheme** was examined and it was found that the FAOR/OTO's technical discipline may not be a priority for the country in which they are posted. Also, the time that they can devote to their technical duties outside the country in which they are stationed was found to be minimal. While the cost of FAOR/OTOs continues to be borne by their parent technical divisions, a considerable part of their time is devoted to their FAOR responsibilities. The evaluation thus recommends the discontinuation of the FAOR/OTO scheme in its present form. Elements of the FAOR/OTO approach are, however, incorporated into other proposals of the evaluation team for strengthening country level response (Recommendation 6).

15.   **FAO presence in countries affected by emergencies**: The evaluation found that in some countries, there were conflicts of authority between FAORs and the emergency coordinators employed by TCE (which is budget holder for the funds). There were also divergences between emergency and rehabilitation strategies and development programmes (the first of these driven by TCE and its emergency coordinators, and the second by the FAORs supported to varying degrees by Regional and Subregional Office teams). For complex emergencies, the Organization should develop a cadre of FAOR/Senior Emergency Coordinators who are immediately rotated in to replace the FAOR when major complex emergency situations develop. When the necessary operational support is in place, they should be made budget holders. In other emergency situations, distribution of responsibilities should be handled on a case-by-case basis. The essential continuing central functions of TCE should receive increased Regular Programme funding through adjustments within Chapter 3 (Recommendation 7).

16.   **Technical services to countries and the role of the Regional Offices**: The evaluation found overall levels of satisfaction by FAORs and governments with technical services were reasonable in South East Asia, China, South America and the Caribbean. The South Pacific was a special case, as there are no FAORs but services were found by the visiting team to be good. Dissatisfaction with FAO technical services was high in Africa, even in countries with a close proximity to Regional and Subregional Offices. FAORs were very strong in their statements that they did not get the technical services they needed and saw very little of the regional staff. There was also limited satisfaction in central Asia and to a lesser extent central America. Most of the CIS countries, especially those of central Asia were receiving limited attention and also had no FAORs. It was found that there is concentration of Regional/Subregional Office country visits on a limited number of countries. FAORs and countries have a relatively weak voice in determining the provision of technical services by the regional technical staff and the evaluation concludes that direct support to countries outside the Field Programme is more supply than demand driven.

17.   With the demand for more upstream work by FAO, there was a need for regional technical staff who could provide an overall strategic perspective for their sub-sector or sector and recognise when there was a need to call in more specialist technical disciplines.

18.   Regional and Subregional Representatives need to be more fully utilised in support of countries and in development of a responsive FAO programme for the region. The unity,

pertinence and effectiveness of FAO's programmes as a whole would benefit from their closer integration into the Organization.

19.   The evaluation concluded that for technical support there was a sub-optimal use of available resources and that the present arrangements for provision of technical staff in the regions suffered from several major problems, including:
    1. staffing profiles need to be broader and better balanced with needs of the region for normative work and countries for direct assistance;
    2. capacity for a multi-disciplinary response needs to be increased;
    3. response needs to be more demand driven in line with agreed country priority frameworks;
    4. technical officers need to be able to travel more easily, have more resources for travel and spend more of their total time in countries; and
    5. Regional Representatives need to be able to travel widely in the region.

20.   Recommendation 8 proposes solutions to these issues including that those posts in the regions which are needed for strictly headquarters based normative work, such as servicing fisheries bodies, should be designated as outposted technical staff working strictly under the direction of their technical units. Budgets for all remaining technical staff in regions (the great majority) should be transferred from the headquarters-based programmes of the Organization to regional programmes. This would allow planning on the basis of an overall analysis of the needs of the region and in relation to global normative work. However, this change also has potentially negative implications, including a reduced sense of commitment to the regional staff and regional programmes by the headquarters technical units. Measures to offset this include the strong involvement of headquarters in regional normative and technical support work and their responsibility for technical support to the quality of regional staff's work. Close formal and informal contacts need to be reinforced between technical officers in the regions and the relevant headquarters units, together with a number of other complementary measures (Recommendation 9).

21.   In order to improve the responsiveness to demand, annual work programmes of technical support should be drawn up for technical staff on the basis of requests from FAORs in line with the country priority frameworks. Monitoring should also be introduced of requests by FAORs for person-days of input by technical/policy discipline and by professional officer and possibilities piloted for strengthening internal market mechanisms (Recommendation 10).

22.   **Use of national and regional expertise**: There has been an increase in the use of both national and TCDC expertise from within the regions. However, the present arrangements for its use are limited by each assignment being a stand-alone consultancy and the limited flexibility of FAO's existing TCDC and South-South arrangements. The evaluation concluded that there was a need to make more use of national and regional expertise through call down (retainer) contracts. This should also include adequately flexible arrangements tailored to individual medium-income countries which would like to provide expertise as donors (Recommendations 14 and 15).

23.   One of the factors in the ease and extent to which countries receive technical services is the geographical placement of the office in terms of centrality to the area, but even more important, the best available airline connections. It is recommended that technical groups be established on airline hubs through re-definition of existing regional posts. Staff in technical groups would provide a flexible source of reference and support for FAORs and be specialists in the more limited number of countries which they would serve (Recommendation 12). Also to improve the quantity and immediate responsiveness of technical staff support to countries, the evaluation has concluded that substantially more funds need to be available for travel (Recommendation 13).

24.   **Flexible adjustments to improve services in the various regions**: In Africa, with a reduction of the staff in Accra and Harare, it is recommended to establish two technical groups to

serve Anglophone central and eastern Africa and Francophone west Africa respectively. In Asia, a group of experts on call-down contracts is proposed to assist in better serving the needs of south Asia. In Latin America, consideration of a technical group is proposed for central America and the Spanish and French-speaking Caribbean. Two technical groups with FAOR multiple accreditation responsibilities are proposed for the CIS, which would be served in its entirety from a technical point of view by the European Regional Office.

25.   **The Liaison Offices** in Brussels, Geneva, New York, Tokyo and Washington were reviewed by the evaluation team. Their functioning was found to be broadly satisfactory. Some suggestions are made for reinforcing aspects of their information and donor liaison roles and for some strengthening of the provision of technical assistance to developing countries by the Geneva and Brussels offices, especially as regards trade.

26.   **Staff competencies**: FAO's capability to deliver services to members through its decentralized structures is very much dependent upon the match achieved between staff profiles and capabilities and needs. Many very good staff were found in Regional Offices at all levels and some excellent FAORs in terms of the required competencies and overall quality. The evaluation team concluded, however, that there are a significant minority of decentralized staff in all categories who do not meet required competencies, quality or both. This was drawn to the attention of the evaluation team through the comments of other members of the international community, FAO staff questionnaire responses, as well as by the limited observations the evaluation team could make itself. Where staff without the necessary competencies or performance are in managerial positions, this reduces the effectiveness of subordinate staff, as well as undermining morale and hampering FAO in effective delivery of services. The evaluation concluded that the problem has been significant in reducing the effectiveness of the 1994-95 decentralization (Recommendation 17).

27.   **Supporting Human Resource Policies**: Recommendations are thus, made to raise competencies including the introduction of an open and competitive selection process for FAORs and senior regional staff and; strengthened staff appraisal, rotation and training. It is also proposed that the gender balance in the decentralized offices be improved. Greater flexibility by FAO in its decentralized response will need capacity to periodically adjust staffing profiles and competencies. These changes will require changes in FAO staff rules, as well as action by FAO at common system level, together with like-minded organizations (Recommendation 18).

28.   **The FAO Technical Cooperation Programme (TCP) and FAOR authority to accept funds from donors**: Although delays have been a problem, the evaluation found that TCP is important in providing a prompt response to governments. It could however, be used much more strategically and effectively by FAORs in the context of decentralization to: i) partner and leverage funds from donors; ii) provide ad-hoc technical support by FAO technical staff and consultants to the FAOR; and iii) provide TCP for pre-funding of project formulation, etc. (Recommendation 19). The evaluation also found that it was a problem that FAOR s could not generally accept directly even small amounts of funding from donors within the agreed country priority framework, although there have been exceptions for emergencies (Recommendation 20).

29.   **Delegation of administrative authorities**: Lack of FAO administrative delegation, especially to FAORs was found to be an area for which FAO was criticised heavily by countries, other, agencies, FAORs and technical officers. The evaluation concluded that although FAO may not be particularly worse than the other specialised agencies, it is slow and bureaucratic in its managerial, administrative and financial decision-making. If the Organization is going to respond adequately to members needs, it must move more in the direction of the UN funds and programmes, against which governments and donors judge the Organization.

30.   It is also recommended that levels of authority for FAOR offices should be differentiated, depending on levels of staff and infrastructure capacity and the needs of the country (Recommendation 21).Following assessment to determine differentiation, proposals are made for

significant transfers of authority to FAORs and responsibilities for transaction processing to regional MSUs. Extra-budgetary funds managed by the FAORs are serviced by the regional MSUs and the evaluation recommends that Regular Programme servicing of the FAORs should also be handled by them with savings through the transfer of this function from OCD in headquarters. In this, a control environment is essential based on a better understanding of the nature of risk and the implications for impact and cost-efficiency of control measures. While retaining segregation of functions, the balance in control measures needs to become more ex-post, based on risk analysis and hold individuals clearly accountable (Recommendation 22).

Overall Conclusions - Strengthening and Deepening Organizational Unity and Coherence

31.   The evaluation team has made an in-depth analysis and identified significant problems. These substantially reduce the cost-effectiveness of FAO's regional and country staffing in terms of benefits to members. They also detract from the unity of the Organization. In line with the terms of reference, recommendations are made to render these services more effective. In making these proposals, the evaluation team hopes this report will contribute to recognition of the problems and a constructive debate on how they can be best addressed. In the absence of changes which, at a minimum, raise staff competencies, where necessary; devolve more decision-making authority; adjust resources so that staff can travel and work more in countries; and put in place meaningful priority processes at country level, - the further potential of the existing decentralization is undermined.

32.   The evaluation found that developing country members of FAO wished to balance the internal institutional relationships within FAO to ensure country and region specific issues are given equal weight with the very important global normative work spear-headed by the central technical departments. At the same time, the evaluation found a headquarters' culture which assumes that administrative and technical decisions can be better taken in Rome than in the regions and countries concerned. The international development community as a whole (UN and donors) and developing country governments feel a need for decentralised decision-making within unitary vision, policy and strategy objectives. The objectives for the decentralization were found by the evaluation team to have been insufficiently achieved due in large part to an imbalance in the weight given in FAO's institutional structure between the needs of countries and regions on the one hand, and the technical programmes and administrative structures of the Organization, on the other.

33.   Regional Representatives need to become the focus of the Organization's work in their regions, in the framework of agreed strategies for the region, with regional work defined in the Medium Term Plan approved by the Council and Conference. It is particularly important that work at country level should be based on the country priority frameworks and these should provide strong under-pinning in developing the regional strategy. Regional Representatives need to travel widely in the region, to listen to the member countries of the region, follow-up at high level on the development processes initiated by the Director-General and to support FAORs and technical teams on critical issues. In order to better reinforce FAORs in their work, regional representatives should become the line of reporting for FAORs and regional technical officers on programme matters at country level and for the regional work. At the same time, care needs to be taken that this does not introduce extra layers of bureaucracy for normal communication. This should remain as it is now, i.e. between the parties most concerned, with FAORs and technical officers dealing directly with units in headquarters and the regions, as needed.

34.   Also the Organization needs to become more networked with greater face-to-face contact wherever possible. A cost in the success of the decentralization will be an increase in meetings and inter-change within regions, across regions and with headquarters. All other specialised agencies of the UN system devote a considerably greater proportion of their resources to this than does FAO.

35.   If these institutional changes are to achieve their objectives of greater unity, greater relevance and greater impact, the re-balancing of the internal responsibilities requires a

considerable amount of time and attention at the top of the Organization to the issues of regions and countries. Without this, even with modern communications and fuller participation of Regional Representatives in the management meetings of FAO, the Regional Representatives will remain in a weak position vis-à-vis headquarters ADGs and there is also a danger of the Regional Representatives receiving inadequate supervision and direction. It is difficult for the Director-General who is responsible for the totality of FAO's work to handle these issues on a day-to-day basis but it is essential that they receive continuing attention at a very high level within the Organization. It is therefore proposed that, without in any way diluting the direct reporting lines between the Regional Representatives and the Director-General, the Director-General nominate the Deputy Director-General to handle on his behalf more detailed regional and country questions. The policy and overall management of appointment and posting of FAORs should continue to be managed through a unit in the office of the Director-General.

36.   The evaluation set itself the task of making proposals which could be implemented within existing resources and it made tentative estimates, identifying some US$ 15 million per biennium which could be adjusted to cover the changes proposed. This having been said, and although there are significant weaknesses to be overcome, the team became convinced that with changes recommended in this evaluation, the decentralized action of FAO in direct service of member countries would be worthy of an absolute budget increase, without any reduction in the resources for normative work.

37.   In view of the ongoing policy and political issues which may arise in further strengthening decentralization, including those issues related to the establishment of technical groups; the extension of multiple accreditation; and other changes in arrangements for country presence and technical support: - the Governing Bodies may wish to consider establishing a small ad-hoc task force to interface with the Director-General's representatives on policy questions which arise in determining an implementation plan, deciding, as appropriate, on reference of any major issues to the Governing Bodies.

1 INTRODUCTION

1.1 Background and Approach to Evaluation

38.   Under its Constitution, FAO is mandated to serve its members through its global and normative work and through the provision of technical assistance to member countries. These roles are further reaffirmed in the Strategic Framework for FAO 2000-2015. The Director-General's Review of the Programmes, Structures and Policies of the Organization presented a package of reforms to the FAO Council in May 1994. Decentralization had the overwhelming support of the membership and was defined as one of the "Guiding Principles" in that reform, underlying proposals for change to assure a reinvigorated and more effective Organization. The guiding principles envisaged "The largest possible measure of decentralization of technical activities to regional, sub-regional and country levels ……… FAO headquarters is too remote from the rural masses of Asia, the small-island states of the Pacific, the immense problems of the fragile countries of Africa, and the specific issues of interest to Latin America and the Caribbean, the Near East and Eastern Europe. It is imperative that the Organization remain relevant and visible and be seen to act in proximity to the problems. The positive spin-offs of an active decentralization policy are to enhance the use of national, sub-regional and regional capacities, achieve substantial economies in implementation modalities and shorten the time lag between the expression of needs of Member Nations and their satisfaction by the Organization"[1].

39.   This evaluation was undertaken at the request of FAO's senior management and the Programme and Finance Committees, with the endorsement of the Council. The evaluation was to make a comprehensive independent assessment of the enhanced decentralization. It took place ten years from the decision to institutionally strengthen FAO through this further decentralization. The evaluation's primary purpose was defined in the terms of reference (see Annex 1) as: "to suggest how to enhance the benefits of decentralization to member countries, while correcting any negative impacts and also ensuring increased cost-efficiency. Thus, the central purpose of the evaluation will be to further the aims encapsulated in the Guiding Principles quoted above, i.e. while ensuring the coherence of FAO as a unitary organization to increase the:

- relevance of FAO's work to countries with differing needs and priorities;
- visibility and proximity of FAO to member countries;
- speed of FAO's response;
- economies in programme implementation; and
- use of regional, sub-regional and national capacities."

40.   The evaluation was charged with assessing the strengths and weaknesses of decentralization with respect to organisational structures, functions and procedures with emphasis on identifying important adjustments to better meet the needs of the future. It was also required to analyse the validity and effectiveness of the overall decentralisation strategy to the evolving global environment and needs of member countries, drawing attention to relevant changes in those needs.

41.   Factors to be examined in assessing overall adequacy and effectiveness of the decentralisation included:
a)   Expectations and levels of satisfaction of member countries and development partners;
b)   Allocation of functions in response to identified needs between the Organization's various offices and headquarters and the capacity to carry them out;
c)   Clarity and coherence of overall organizational arrangements, procedures and responsibilities regarding the management and work of the decentralized offices, and

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[1] CL 106/2, paragraph 24 and Executive Summary, paragraph VI, e.

complementarity between the work and functions performed at headquarters and in the decentralized offices; and

d)   The parameters imposed by corporate culture and the extent to which they strengthen or hinder effectiveness of decentralization.

42.   The evaluation was conducted by an independent team: David Sands Smith and Mary Chinery-Hesse, Team Leaders; Regional consultants Minoli Santaipillai, Adel Aboul Naga and Roberto Cabral; supported by three members of the FAO Evaluation Service: John Markie, Rachel Sauvinet-Bedouin and Tullia Aiazzi (for summary CVs of the external team members, see Annex 2).

43.   Work on the evaluation began in October 2003, with preparation of briefing materials and preliminary discussions in headquarters. Members of the evaluation team examined the various FAO internal reviews on aspects of decentralization. The stated positions of countries in the Governing Bodies on various aspects of the decentralization were also reviewed.

44.   An extensive programme of visits was undertaken to all regions of the world (all Regional and Sub-regional Offices and all Liaison Offices were visited (15)), in addition to 16 country offices[2], with different categories of representation. Working against structured check lists, during country visits governments were consulted in the ministries responsible for agriculture and those dealing with finance and planning. In the majority of countries visited (55%), views were obtained at ministerial or permanent secretary level. Also, during the country visits consultations were held with the UN and other international agencies and representatives of civil society and the business sector. The evaluation team observed two FAO Regional Conferences[3]. At the same time, questionnaires were responded to by developing country governments, FAORs, professional staff in the Regional and Subregional Offices and senior technical staff in headquarters. A series of further meetings were held with headquarters divisions at the beginning of June 2004. The institutional arrangements and performance of FAO were systematically bench-marked against other specialised agencies of the UN system during country visits, through visits to their headquarters and through questionnaires[4].

45.   **From the outset, the evaluation team considered that paramount importance should be attached to ensuring the optimum service from FAO to the developing countries and the place of decentralization within that**. It thus consulted in-depth with these countries on their expectations and extent of satisfaction on both aspects.

46.   The evaluation team also became convinced that the only realistic course was to make its recommendations on the basis of a zero growth budget (in real terms), with no implications for a net transfer of resources between normative work and the various forms of direct assistance to member countries. It was very much aware that it had undertaken no comparable evaluation of the normative work carried out from FAO headquarters and has made no proposal for a transfer of headquarters technical posts to the regions or vice-versa. At the same time, the evaluation has been conscious of the strong link necessary between normative work and that in direct support of countries.

47.   The resource constraints limit the proposals which can be realistically put forward and the team has been very mindful that effective decentralization (and here the team emphasises "effective") is limited by resources. Areas for cuts and adjustments are indicated in order to resource the measures found important to enhance effectiveness. **This having been said, areas**

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[2] Burkina Faso, Ethiopia, Kenya, Lesotho, Mali, Togo, China, India, Laos, Jordan, Lebanon, Syria, Kyrgyzstan, Turkey, Brazil and Nicaragua.

[3] Latin America and Caribbean and Near East.

[4] ILO, UNIDO and WHO responded to questionnaires. Unesco, UNDP and WFP provided written information on several aspects.

where additional resources could be very well used are also very evident from the findings which follow and the evaluation team commends these to the membership in its consideration of resources for the 2006-07 biennium.

48.   The main changes which were made following the further decentralization of FAO agreed at the special session of the Council in May 1994 are summarised briefly below. Later sections of the report assess the effectiveness of these changes. Conclusions are highlighted in the text and main recommendations with an indication of their time scale for implementation are separately numbered. Other recommendations and suggestions are highlighted in the text. The substantive sections of the report are divided into the following main chapters: 2. Context of the Decentralization; 3. The Overall Effectiveness of the Decentralization (views of member countries and other stakeholders); 4. Country Development Support Requirements and FAO's Response; 5. Resources and Modalities for FAO Country Presence; 6. Provision of Technical Services in the Regions and the Role of the Regional Offices; 7. The Role, Relevance and Coverage of the Liaison Offices; 8. Human Resources and their Management; 9. Operational, Managerial and Organizational Issues; 10. Overall Conclusions – Strengthening and Deepening Organizational Unity and Coherence.

1.2 Decentralization - The Major Changes

49.   There has been some decentralization in FAO since its foundation. The Conference approved the opening of a Regional Office for Europe in 1946. Between 1946 and 1959, four Regional Offices were established in their current locations. Three Liaison Offices[5] as well as Joint Divisions with the UN Regional Economic Commissions were set up in the period between 1951 and 1974. The establishment of FAO Representations was initiated by the Council in 1976 with Regular Programme funding (previously there had been a system of senior agricultural advisors which were co-funded by FAO and UNDP but in practice reported to the UNDP Representatives). In the first steps of the increased decentralization during the 1994-95 biennium, five Subregional and two additional Liaison Offices were established and increased numbers of technical staff and policy officers decentralized. In 1996-98, project operations were transferred to the Regional Offices and then subsequently to FAORs, from 2000 onwards. In 2001, the first FAOR/outposted technical officers were appointed.

1.2.1 Office for Coordination of Normative, Operational and Decentralized Activities (OCD)

50.   To facilitate the decentralization and support a direct line of reporting to the Director-General by all the decentralized offices, OCD was established with a D2 Director in 1994. Previously, FAORs had reported to the Director-General through an office in the then Development Department and the Regional Office staff had reported through their Regional Representatives. OCD provides support to the Director-General in the coordination of the regional offices. It holds the budget for FAORs and advises the Director-General on their recruitment and transfer. It provides the administrative servicing for the FAORs (excluding extra-budgetary resources). OCD is also responsible for development of the organizational guidelines and procedures which govern the relationship between headquarters units and the decentralized offices and the definition of functions between them.

1.2.2 Strengthening of the five Regional Offices and establishment of five new Subregional Offices

51.   In the 1994-95 decentralization, the number of Regional Offices and their location remained unchanged. In addition, five Subregional Offices were established for: the Pacific Islands (SAPA); Southern and East Africa (SAFR); the Caribbean (SLAC); North Africa (SNEA); and Central and Eastern Europe (SEUR). The Subregional Offices are each headed by a Subregional Representative. FAO Representation in the countries in which they are located is also

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[5] Liaison Office with the United Nations (New York - LONY), Liaison Office for North America (Washington - LOWA) and Liaison Office with the United Nations (Geneva - LOGE).

provided by the Regional and Subregional Offices (except REU and SEUR). Since 2004, the Subregional Representative, SEUR, has also been FAOR in two CIS countries with National Correspondents.

52.   The Regional and Subregional Offices were expected to become the primary source of support to country offices and to service regional bodies. Regional Offices were made responsible for: (i) identifying the priority areas of action for the Organization in the region; (ii) monitoring and reporting on major regional developments and trends in agriculture; (iii) advising on the normative and technical cooperation work of the Organization in the respective regions; (iv) providing the first-line of technical support to countries and the Field Programme; (v) providing the managerial and administrative support for field programme implementation; and (vi) organising the Regional Conferences and technical meetings of a regional nature.

53.   They were strengthened through the transfer of technical and policy assistance expertise and establishment of Management Support Units. At the same time, the joint divisions with the UN regional economic and social commissions were discontinued. Whereas technical staff in the Regional Offices had previously reported to the regional representative and had generally had little involvement with the Field Programme, they are now intended to spend at least 50 percent of their time on direct support to member countries. The staff in the Regional Office are organized in technical groups and in one multi-disciplinary team in the Subregional Offices. These groups are for coordination purposes but the reporting line is for each individual officer to their technical unit in Rome.

1.2.3 Liaison Offices

54.   To improve liaison with major developed country members of FAO, the number of Liaison Offices was increased from one (covering North America) to three, with the addition of the Liaison Offices in Japan and Brussels (European Union and Belgium). The offices for liaison in the UN system in New York (LONY) and Geneva (LOGE) were maintained. They report to the Office of the Special Adviser to the Director-General (SAD).

1.2.4 FAO's country presence

55.   The role of FAO country offices has evolved from predominantly liaison functions to a more central one in carrying out the activities of the Organization. The FAO Representatives have had the responsibility for the operation of projects since 2001, and in 2004 it was decided to increasingly give them the formal lead role in field programme development. In order to achieve both economies in staffing and to make better use of national expertise, the international programme officer posts in the FAOR offices were converted to national professional posts.

56.   The 1976 Council decision established the ceiling on the number of FAORs at 78. Other means have thus been employed to extend the country coverage to meet requests from additional countries:

a) *FAO Representation combined with Regional and Subregional Offices*: In 1994-95, the Regional Offices already performed the function of representative in the country in which they were placed (except for Europe). With the establishment of the Subregional Offices, these also took on the function of FAO Representations with the host countries;

b) *Multiple accreditation* has been extended. FAO is now represented by the FAOR in a neighbouring country in 32 cases and in three such countries, a national programme officer is stationed in the country and reports to the FAOR in a neighbouring country;

c) *National Correspondents* are senior civil servants who devote a percentage of their time to liaison functions between the government and FAO. They are designated jointly by the Government and FAO. FAO provides them with a limited budget to cover some operational costs, a computer with an email connection, and a modest salary supplement proportional to the percentage of time devoted to FAO liaison functions. As of July 2004 twenty-four National Correspondents have been appointed, out of the 35 foreseen. Eight of these are in countries where there is no double accreditation by an FAOR;

d)   *Appointment of FAOR/Outposted Technical Officers*: In November 2000, the Council agreed that technical officers be outposted to countries to increase FAOR coverage. Under this scheme, technical officers are located in countries with no FAOR and perform FAOR duties. They are also intended to carry out technical duties either in the host country or for a group of countries. The costs of the officer are borne by the technical programme concerned and the country agrees to cover office accommodation costs, office support staff, a car, etc. A small allocation is made from the FAOR budget; and

e)   *In countries not covered by any of these arrangements*, FAO relies on the services of the UNDP Resident Coordinator for the performance of FAO-country liaison functions[6].

Table 1: FAO's country coverage (April 2004)	Number (April 2004)
Countries covered by a fully-fledged FAO Representation (outside a Regional/Sub-regional Office)	74
Countries in which a Regional or Sub-regional Office is located and provides FAOR representation	9
Countries covered under multiple accreditation	32
Countries covered only by a national correspondent	8
Countries covered by Outposted Technical Officer/FAOR	9
Total	**132**

1.2.5 Decentralizing field programme operations

57.   New arrangements for the implementation of the Field Programme, including decentralisation of operations, were phased into place, beginning in 1994:
a)   1994-1996: operational units previously split between agriculture, forestry and fisheries, were regrouped into a single Field Operations Division in headquarters;
b)   1996-1998: responsibility for project operations was largely transferred to the Regional Offices with the transfer of operations professional staff to the regions; and
c)   2000-2001: national field project operational responsibility was further decentralized to the FAO representations, with a core group of operations officers retained in the Regional Offices operating regional projects and projects in countries with no FAORs. A very small coordination and monitoring function for the Field Programme was retained in Rome.

58.   In 2003, the overall share of the FAORs in total delivery of extra-budgetary programmes and TCP (not including the Iraq Oil-for Food Programme) was 31 percent, and together with the Regional Operations Branches, they undertook a further 13 percent of FAO's delivery. Excluding Iraq, 28 percent of delivery was accounted for by emergencies for which FAORs support headquarters-managed operations. The remaining 28 percent was accounted for by the technical departments, mainly for interregional and normative programmes.

1.2.6 Decentralization of policy assistance and field programme development

59.   In 1995, the staff dealing with policy assistance to member countries in the former Policy Analysis Division were combined with staff responsible for field programme development in the Technical Cooperation Department and this new division (TCA) was largely decentralized to the Regional and Subregional Offices.

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[6] UNDP represents FAO in 17 countries and contributes to FAO representation in a further six of the eight in which FAO has a national officer and two covered by multiple accreditation.

1.2.7 Improvement of IT infrastructure and system enhancement

60.   As part of the 1994 reforms, priority has been given to the enhancement of information technology and associated administrative and accounting systems of the Organization, including in the support of effective decentralization. The Oracle system was progressively established to replace the previous financial, planning and personnel management systems. Communication infrastructure has been greatly enhanced. Regional Offices have all been given Oracle access and all FAORs have Internet access, which in most cases is of reasonable quality. With the implementation of the Wide Area Network (WAN), a large number of FAORs also have FAO intra-net access. The Country Office Information Network (COIN) provides direct access to country office information. The new Field Accounting System (FAS) and office automation brought significant changes in communication and the overall reporting and account management at country office level. COIN is also now being developed to facilitate transaction processing.

1.2.8 Procedures and management information systems

61.   Administrative, financial, personnel and procurement related procedures, as well as the management information systems, have been considerably revised over the period and are still under review. This is being carried out through a number of initiatives, including the Field Programme Committee and the establishment of the Standing Working Group on Administrative and Operational Procedures. Through the Internet, country offices have access to a steadily expanding set of services. The data-warehouse was developed and is now available to 75 country offices for access to basic budgetary and financial information. They can also access a field programme information system (FPMIS) and a wide range of help tools for the Field Programme and increasingly for other applications. The Field Programme Manual is being revised and adapted. Some of the procedures such as those for budget holder responsibility, project operations and procurement have been revised.

62.   The procurement ceiling of FAORs was increased in 1997 from US$ 20,000 to US$ 25,000 and those of Subregional Representatives to US$ 50,000 and Regional Representatives to US$ 100,000. The FAORs can now recruit national consultants for up to eleven months against project budgets while in the past this was restricted to four months. This has expedited recruitment of project personnel.

1.2.9 The resource shifts

63.   Table 2 summarises the overall shifts in staff and resource distribution. It can be seen that the percentage of FAO professional posts in the Regional and Subregional Offices has moved from 10 percent of the total to 17 percent between 1994-95 and 2004-05 and there has been a corresponding drop in the headquarters proportion from 80 percent to 70 percent, while that in FAORs (including national professionals) has risen from 10 percent to 13 percent. The picture in terms of financial resources is less clear cut, with the increase in proportion going to the regional structures being less substantial. The reasons for this include the fixed infrastructure servicing costs in Rome and the steep rise in the cost of Rome-based staff compared with those in the regions. Indeed, a function of the decentralization has been the savings in General Service staff costs.

Location	Percentage of Total Professional posts		Professional % change in total post numbers 2004-05 to 2006-07	Percentage of Budget	
	1994-95	2004-05		1994-95	2004-05
Headquarters	80%	70%	-15%	79%	77%
Regional, Sub-regional and Liaison Offices	10%	17%	+65%	12%%	13%
FAORs (international prof)	10%	9%	-42%%	9%	10%
FAORs (national prof)	0%	4%	n.a.		

Table 2: Changes in Staff and Budgetary Resource Distribution Following Decentralization

64.   By way of comparison, it may be noted that only 43 percent of WHO staff are in headquarters. The respective figures for other major specialised agencies are: UNESCO - 65 percent; ILO - 66 percent; and UNIDO - 80 percent. In terms of the WHO budget for 2003, 40 percent was at country level and 23 percent at regional level. The WHO target is to shift 70 percent of resources to countries and regions in the 2004-05 biennium.

1.2.10 Savings resulting from decentralization

65.   All these changes have resulted in a reduction in duplication of work and in particular a reduction in General Service salary costs. Savings reported by the Organization since 1994-95 amount to US$ 26 million as follows:

Table 3: Savings as a result of decentralization	Savings US$ million per biennium (current prices)
Replacement of country office international programme officers with national programme officers	12
Decentralization of technical, policy and operations functions to regional/sub-regional level	4
Decentralization of field programme operations	10
Total	26

Source: FAO Programme and Budget Service

2 CONTEXT OF THE DECENTRALIZATION

2.1 External factors

66.   Decentralization has to be viewed in the context of global developments, including an overall decline in the annual average for agricultural development assistance, which fell in constant US$ (2000) from US$19,300 million in 1985-89 to US$ 10,300 million in 1995-99 (see Chart 1). There have also been major changes in developing country policies and priorities for development assistance as well as in the way donors are delivering assistance. At the global level, the Millennium Development Goals focused the attention of the international community but have not led to a major increase in overall development assistance. Many developing countries have developed poverty reduction programmes (PRSPs) and, in the case of African countries, programmes subject to peer review under NEPAD. Developing countries are also giving close attention to global issues – particularly the issues of international trade.

Chart 1 External Assistance for Agriculture in Developing Countries (constant 2000 US$ billion)
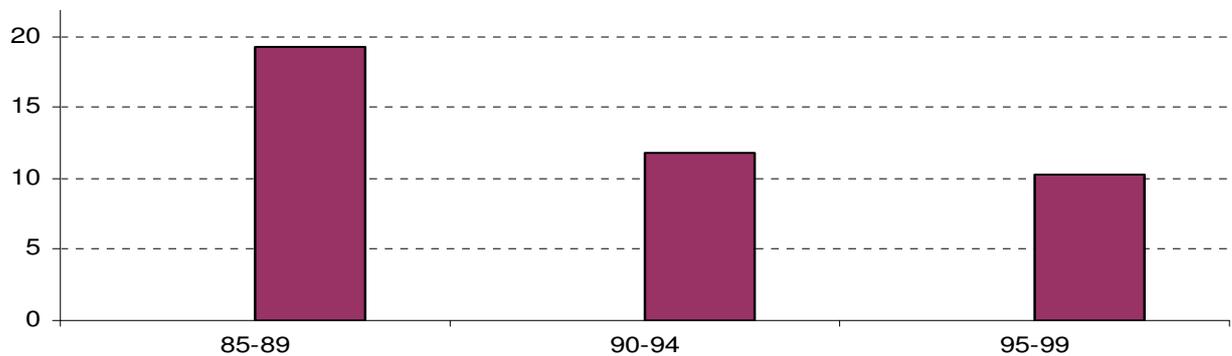
67.   Within the UN, action has been taken to increase coherence and collaboration between its Programmes and Specialised Agencies, as well as with the Bretton Woods institutions. International and regional financing institutions and national donors are generally decentralising more to country level. They are also working closer together, as well as more closely with developing country governments and civil society (including NGOs), and with the private sector. Increasingly, these agencies are providing assistance in conjunction with one another through sector-wide programmes and budget support linked to national poverty reduction programmes. Alongside these developments, events have led to an increase in the need for emergency assistance, which at US$ 5,500 million per year accounts for 10 percent of official development assistance and has doubled in real terms compared with the previous decade.

68.   This evolving context presents new challenges for FAO in responding appropriately to country and regional needs, and in working in partnership with others. It is also a context in which the presence of the Organization at regional and country levels assumes an increased importance.

2.2 The Internal Context

Chart 2 Decline in the FAO Regular Programme Budget US$ million
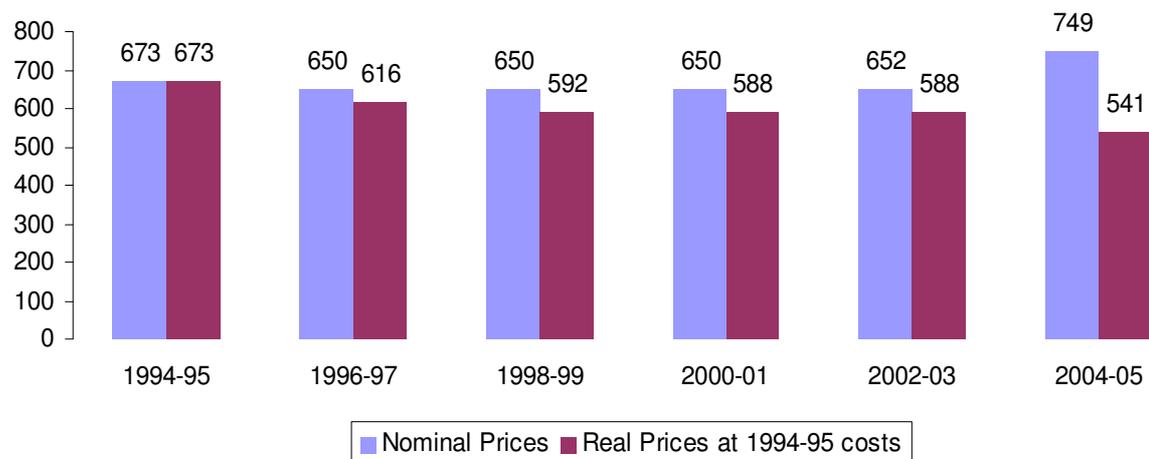
69.   The 1994-95 decentralization took place within a context of shrinking FAO resources. Between the two biennia 1994-95 and 2004-05, the FAO Regular Budget in constant 1994-95 US$ shrank from US$ 673 million US$ 541 million. This has had major implications for the eventual effectiveness of the decentralization in terms of responsiveness to members.

70.   There was also a significant decline in extra-budgetary resources for field development programmes (with unfortunately an increase in emergencies). Excluding the Iraq Oil-for-Food programme, the volume of extra-budgetary expenditures (expressed in current US$) in 1992 was US$ 343 million per year, of which US$ 22 million were for emergencies and US$ 152 million came from UNDP. Extra-budgetary expenditure then fell to a low point of US$ 224 million per year in 1996, due largely to the UNDP decision to move away from UN agency execution. Thus, UNDP funding fell from US$ 152 million for 1992 to only US$ 12 million in 2003. At the same time Government Cooperative Programme funding has risen, so that together with UTF funding it increased from US$ 169 million in 1992 to US$ 258 million in 2000, a level at which it has more or less stabilised but with an increased proportion of the resources for normative headquarters based work. Emergency extra-budgetary funding, excluding Iraq Oil-for-Food rose from a level of between US$12 million and US$ 22 million (around which it fluctuated in the period 1992 to 1999) to US$ 65 million in 2003. Chart 3 summarises these trends.

Chart 3: Extra-budgetary Funding of FAO's Programmes (excluding Iraq Oil-for-Food)
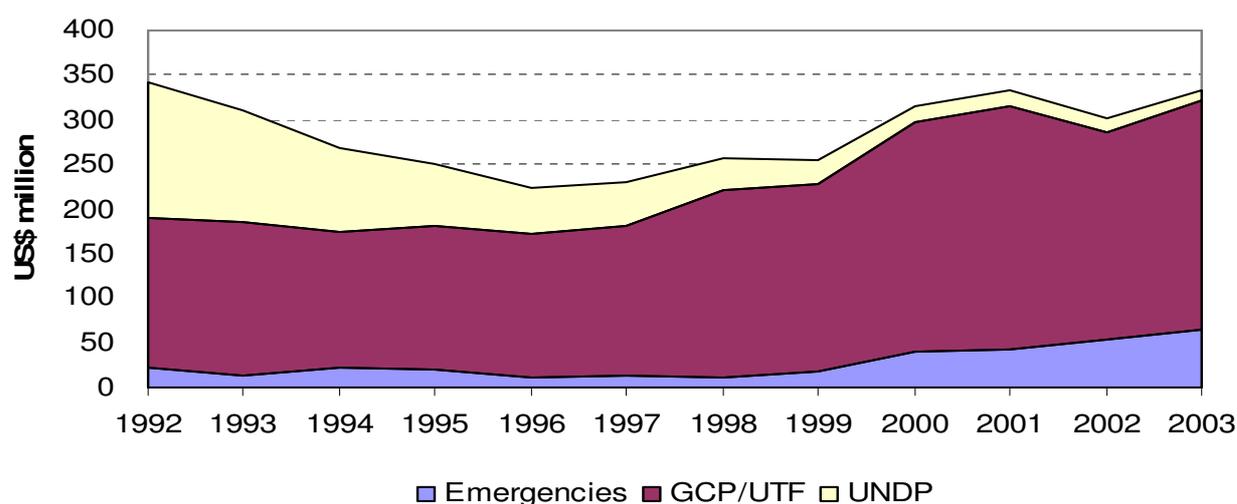
71.   At the time of the decision to decentralize, much of the thinking was thus influenced by the recent past when there had been a large extra-budgetary Field Programme and the roles of both Regular Programme technical staff and the TCP were less prominent than they are today in ensuring technical support to countries.

72.   In drawing its conclusions, the evaluation team has been aware that no matter how great the resources of FAO, not all expectations can be met. The team has also been mindful that the successive budget cuts have seriously constrained the effective implementation of the decentralization. It also needs to be kept in mind that these cuts throughout the decentralization process limited capacities in FAORs and other decentralized offices, with the abolition of posts and less non-staff money available. The evaluation team was further informed that original plans for the decentralization, including the establishment of additional sub-regional offices had as a result of the budgetary constraints been cut-back or cancelled.

3 THE OVERALL EFFECTIVENESS OF THE DECENTRALIZATION (VIEWS OF MEMBER COUNTRIES AND OTHER STAKEHOLDERS)

73.   Countries, donors and the UN family were all found to be in favour of decentralization. Within this context, they emphasised decentralization of functions and authority, not primarily staff. There was general agreement with the objectives set for the 1994-95 decentralization process, i.e. to ensure for FAO:

a)   relevance;
b)   visibility and action in proximity to problems, shortening the time lag between the expression of needs by Member Nations and their satisfaction by the Organization;
c)   enhanced use of national, sub-regional and regional capacities; and
d)   efficiency savings (there was however, questioning of the realism of this objective as many partners noted that supporting measures, infrastructure investments, etc. were required).

74.   The increased decentralization met a felt need of developing countries and was in line with developed countries' views on ways of maximising the Organization's effectiveness. It thus received the full support of the Governing Bodies and the actual process was driven by the Director-General, with some resistance from headquarters administrative and technical divisions. The decentralization of field operations, first from headquarters to the regions and then from the regions to FAORs, also met with some resistance from the units affected. Together with the shortage of resources, the result was that decentralization proceeded in a rather iterative way and in jerks, as a decision was pushed through and then adjustments were made to ensure the decision worked. Any institutional change is disruptive and the evaluation team concluded that there was little alternative but to proceed in this way, in view of the need to break through organizational inertia.

75.   Increased visibility, proximity and responsiveness of FAO and its services to member countries were defined by the Council as major objectives of the 1994-95 decentralization. Overall judgements by those consulted on FAO's decentralization varied significantly by region. The evaluation team found during its country visits that in the Pacific and Caribbean islands that this objective had been fulfilled. This was particularly the case in the Pacific. There was also an increase in visibility and responsiveness in the countries closest to Hungary in Europe. Elsewhere, governments, donors and other members of the UN family often said that they had not seen evidence of greater FAO decentralization or its benefits. It was disappointing that in Africa, South Asia, the CIS and, to some extent, Central America, the great majority of countries reported no benefit from the increased decentralization of staff, including to the Sub-regional Offices. This has to be seen in a context of a decline in the size of the Field Programme, as well as declining resources for FAO staff travel, which reduce countries' exposure to FAO, independently of the decentralization as such.

76.   MDG 8 and the FAO Strategic Framework both recognise the special needs of small island states. It was thus encouraging that in the Pacific and Caribbean, all those to whom the evaluation team spoke strongly emphasised the value of having an FAO office that focused on their sub-region. The value came from the knowledge that each of the two Sub-regional Offices had in respect of the countries it covered, - both the overall socio-political context and the specific issues facing the agriculture, forestry and fisheries sectors. This knowledge had enabled the sub-regional offices to ensure that FAO responses were both appropriate and effective. The fact that the sub-regional representatives and some members of the teams came from the sub-regions in question was judged to add to the strength of the offices.

77.   While there were significant possibilities for improvement, member countries were broadly satisfied with the services of Regional Offices in Asia (excluding the CIS) and Latin America. In Africa, there was a high level of criticism during team visits of FAO's orientation and ways of working, but governments and donors often look on FAO as the best of the UN specialised agencies (as distinct from Funds and Programmes). This did not appear to always be the case in the countries of Asia, where FAO was not necessarily ranked as highly as other UN

specialised agencies by planning and finance ministries or by donors and UN Resident Coordinators. In Europe, there was dissatisfaction with the coverage of the CIS countries.

78.   National governments and all other development partners consulted by the evaluation team emphasised the need for deepening FAO's decentralization, especially in terms of devolution of decision making, to meet the challenges of a changing and more globalised world in which decentralization and interconnectivity were both becoming the norm. They felt that FAO must match the changes by others in the international community and at national level. In particular, there was a common call for a more responsive technical capacity to serve countries and for:

a)   FAO to be more of a listening Organization, with officials asking members and other stakeholders what were their concerns and priorities and carefully considering the response, rather than promoting FAO standard approaches;

b)   The need for a more strategic approach by FAO, whether at national or regional level, with FAO's resources being used in a more catalytic and focused way, rather than on a number of disparate actions which do not always have the impact national governments would wish;

c)   FAO to increase its attention to the strategy and policy levels, as a partner and facilitator in countries;

d)   Decentralization to facilitate consensus and transfer of experience on emerging issues between countries and regions; and

e)   Much greater delegation of authority covering the degree to which FAORs and regional representatives feel able to: express the organization's views; use of the TCP; enter into agreements with donors; and exercise implementation authority, including for contracts and expenditures. Such delegation was believed to be an important prerequisite for mobilising additional resources from donors and in strengthening the confidence of governments in programme execution.

79.   The international community and governments in a number of countries expressed the view that FAO needs more proportionality in its use of decentralized resources vis-à-vis the needs and potentials of countries (including attention from regional technical support staff, capacity of national offices and use of TCP).

80.   Senior management has rightly emphasised that decentralization must reinforce, rather than detract from the unity of purpose of the Organization, as well as the need to maintain financial and administrative standards and minimise the risk of abuse. In response to questionnaires, a majority of senior FAO headquarters technical staff respondents think that there was a loss of effectiveness due to decentralization. The evaluation team has also heard, mainly from some of those consulted at headquarters, that there is a danger of lack of realism in the drive for decentralization, in particular: a) greater decentralization has reduced efficiency of implementation; b) that it is not possible to have the same overall calibre and motivation of staff in decentralized offices as headquarters due to a number of factors, including that the staff cannot be sufficiently expert in any one field; c) the costs of assuring acceptable risk levels of abuse or ignorance of procedures are unacceptably high outside a headquarters environment; d) decentralization has had a negative effect on FAO having the critical mass of staff in essential technical disciplines for normative work (almost 40 percent of senior headquarters staff responding to questionnaires felt that this was a problem); and e) the UN common system of staff employment regulations does not allow for the flexible adjustments in staffing essential to institutional restructuring.

81.   The evaluation has examined these issues and the extent to which each presented a justified risk, if the effectiveness of decentralization was to be further strengthened. They are addressed in subsequent sections of the report.

4 COUNTRY DEVELOPMENT SUPPORT REQUIREMENTS AND FAO'S RESPONSE

4.1 Country Requirements for Development Support

4.1.1 The Priorities of the Strategic Framework and the Millennium Development Goals

82.   The decentralization team was conscious that the ultimate measure of FAO's effectiveness in its decentralized work, is its success in helping member countries to achieve their goals as set out in its **Strategic Framework**, i.e.:

- access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of chronically undernourished people is reduced by half by no later than 2015 (which generally corresponds to MDG 1: Eradicate extreme poverty and hunger (Reduce by half the proportion of people living on less than a dollar a day and Reduce by half the proportion of people who suffer from hunger by 2015);
- the continued contribution of sustainable agriculture and rural development, including fisheries to the economic and social progress and well being of all (within this goal there is a close alignment of interest with MDG 8 Develop a global partnership for development (in particular, "Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory. It includes a commitment to good governance, development and poverty reduction - nationally and internationally"; and "Address special needs of the least developed countries. This includes tariff- and quota-free access" for their exports); and
- the conservation, improvement and sustainable utilization of natural resources, including land, water, forest, fisheries and genetic resources for food and agriculture (which aligns with MDG 7: Ensure environmental sustainability).

83.   Above all, the team considers that FAO is bound to give attention to the first goal, namely that set at the World Food Summit of 1996 "Access of all people at all times to sufficient nutritionally adequate and safe food, ensuring that the number of undernourished people is reduced by half by no later than 2015". The evaluation recognises that for this goal to be achieved, due attention must be addressed to countries and regions with large numbers of undernourished people. At the same time, FAO has to make appropriate responses to other countries and regions, where numbers of undernourished may be smaller, but where there are large agriculturally-dependent populations and other problems and areas of potential that clearly fall within FAO's mandate.

4.1.2 Views of countries and development partners

84.   Ministers and top officials stated in their meetings with the evaluation team that they would value more emphasis from FAO in developing and/or taking forward their national policies and strategies. They valued FAO as a provider of information and knowledge, particularly on cutting edge issues (trade issues and help in understanding the implications of new technologies, e.g. GMOs were frequently mentioned). Headquarters technical officers also attached high priority to the policy and strategy areas and FAORs emphasised facilitating national policy dialogue. Country responses to questionnaires, which probably reflect the interests of ministries of agriculture at all levels, in general emphasised the need for a broad range of assistance. They tended to place less emphasis on policy and strategy and the facilitation of policy dialogue and more emphasis on specialist expertise. Requirements for project and programme development were in general given the highest ratings.

85.   Trade, and in particular issues of sanitary and phyto-sanitary standards (SPS) and technical barriers to trade (TBT) (including GMOs, food safety and plant and animal pests and diseases) tend to be important for all regions. On other matters, however, the evaluation found that there were substantial differences between levels of development and regions on the policy subject-matter for which inputs are sought. Questionnaire responses from countries did not indicate a high demand for sector and macro policy specialists and this corresponds with the

desire for policy and strategy assistance to be in technical, institutional or sub-sectoral areas. While countries which have or are developing PRSPs, particularly in Africa, are often seeking support at sector and inter-sectoral level as well as on rural poverty and household food security, elsewhere more specific policy-geared inputs are looked for on such issues as land tenure (CIS and Africa), water management, fishery and forestry. The evaluation noted that the populous countries have policy and policy-related issues at provincial level. In addition to trade issues, many Latin American countries are addressing pockets of rural poverty and hunger.

86.   In general, neither senior government officials nor donors viewed FAO as being a major mobiliser of funds or implementer of assistance. Responses to country questionnaires generally did not emphasise an FAO role in implementing large-scale projects. Countries were also found to vary in their demand and need for pilot activities designed to demonstrate policies and approaches. Pilots are undertaken by FAO in such areas as integrated pest management and water management, as well as being the starting point for the Special Programme for Food Security (SPFS). In Burkina Faso and in China, the evaluation found that pilot activities had shown an impact, but the pilot had to be lifted to a critical mass of demonstration effect and only those aspects of the pilot experience which were found valuable would be replicated, not the overall package. In responses to questionnaires, middle-income countries gave low priority to pilot activity. In countries where NGOs or stand alone bilateral projects are prevalent, this need can often be met by them. Senior government officials sometimes told the evaluation team that they saw little role for FAO in piloting and demonstration for this reason. Many officials within the UN family and donor community were strongly critical of pilot activities, stating that they have no impact and that work must be at the strategic level. The evaluation team observed that pilot project design should always incorporate elements which facilitate replication and upscaling.

87.   Middle-income countries also look to FAO very much as a two-way channel of communication for experience between countries and continents. They feel in this regard that they have something to offer to the rest of the world and that FAO should be a channel for that knowledge.

88.   International development partners (UN system, donors, IFIs) were also consulted at country level on their priorities for FAO, and thus the areas in which they might be expected to support FAO work. Their emphasis was almost universally in seeing FAO's comparative strengths in policy and institutional development for its areas of mandate, where the Organization's neutrality and knowledge of global trends and the implications of technology are important. They too stressed FAO's normative function and its role in making countries aware of comparable experience elsewhere.

89.   International development partners saw a strong role for FAO in the UN country team in providing focus and coordination for harmonization of work by the international community in all areas of FAO's mandate. Contribution to the content of PRSP design and more detailed operationalisation of the strategy was particularly emphasised. They also pointed to the importance of FAO working with the full range of relevant ministries, which did not always happen. Finance and planning ministries also emphasised that FAO needed to work as an integrated part of the UN system if it was to influence the development agenda in favour of rural development and the place of agriculture in overcoming poverty and contributing to economic growth. Government officials and international partners noted that in many countries, there are difficulties in line ministries, including agriculture, in dialoguing across sectoral lines and at the senior policy level and that the international community can help to foster internal dialogue if it works together.

4.1.3 Convergence of FAO response with strategic goals

90.   The evaluation examined, through statistical analysis, the relation between FAO's country response and the Organization's overall priorities in terms of meeting needs and supporting development potentials. FAO resources put at the disposal of countries (in terms of the size of the FAOR offices and the resource which FAO has flexibly at its direct disposal, i.e. TCP), were

examined against a set of criteria. These criteria included: the numbers of malnourished; the size of the agriculturally dependent population; the size of the FAO Field Programme; and the volume of development assistance flowing to the country. The evaluation also considered other less tangible factors, such as the availability of the countries' own expertise and the extent to which they were able to tap into other sources of technical support.

91.   The **evaluation found** that low-income countries as a group receive more resources per country from FAO than the average for all countries. It also found that the needs of Africa are recognised in the level of resources made available, and indeed that the most important share of resources goes to Africa. With the exclusion of China and India from the analysis, the strongest correlation is with TCP resources and the agriculturally dependent population, with a weaker correlation on TCP resources and the number of malnourished. Although on neither of these indicators does the correlation explain most of the variance between countries, there is substantial differentiation in TCP allocations between countries[7]. The trend in resource allocation is thus moving in the right direction, focusing on LDCs and the size of population dependent upon agriculture, but the correlation with food security status and with poverty, especially in large countries, needs to be reinforced.

92.   Between them, India and China account for 44 percent of the world's undernourished (about 350 million people). Poverty in these two countries is also a predominantly rural phenomenon. This poverty is also concentrated in particular states and provinces which have populations (around 100 million), the size of many medium-sized countries. Both countries have sensitive policy issues where they can draw on the rest of the world and valuable experiences to share with other parts of the world. They also have vast intellectual and financial resources of their own, although India continues to be in the per capita income level of an LDC. The team **concluded** that FAO has a particular contribution to make in these two countries and the numbers of rural poor and hungry qualify them for a somewhat greater concentration of resources than they are currently receiving (from the point of view of staffing the FAORs, TCP allocations and use of RP resources). However, within the countries, FAO must prioritise its areas for action geographically based on poverty and in terms of subject matter.

93.   Five CIS countries are in FAO's European region[8]. Other CIS countries of central Asia[9] are in FAO's Near East and to some extent Asia[10] regions. Although the CIS countries have in some cases received substantial technical support, none of them has a resident FAOR and there is a shortage of staff specialised in their problems. Eight countries covered by REU/SEUR joined the European Union on 1 May 2004 and will no longer be eligible for FAO TCP assistance[11]. This gives a new configuration to the region. The CIS countries have historical, cultural and linguistic links with central and eastern Europe. Moreover, they face typical issues of transition countries that are similar to those of other CIS countries of the Caucasus and the Balkans, as well as sharing a similar process of transition to that already undergone in the eastern European countries which have joined the EU. The common language (at least within the government sphere) in the CIS is Russian.

94.   **The evaluation concluded that in its decentralization FAO must work to provide a strengthened technical response in line with the priorities of the Organization and more**

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[7] With 2003 expenditures (excluding emergencies) per country averaging per quartile: top quartile of countries- US$ 0.64 million; upper quartile - US$ 0.34 million; lower middle quartile - US$ 0.06 million; and lowest quartile US$ 0.035 million.

[8] Armenia, Azerbaijan, Georgia, Moldova, Ukraine - the Russian Federation and Belarus are not currently FAO members

[9] Central Asia CIS countries include: Kyrgyzstan, Kazakhstan, Uzbekistan, Turkmenistan and Tajikistan.

[10] Uzbekistan and Kazakhstan

[11] They will still benefit from regional projects and other services of FAO.

proportionate to the needs and requests of individual countries, especially in terms of food insecurity and dependence upon agriculture. While taking full account of FAO's priorities, this response should be both demand driven and focused.

4.1.4 Subject matter areas for FAO assistance

95.   Although the evaluation could not make the type of needs assessment which would inform a detailed matching of capacities and requirements, it was able to form overall judgements on the basis of sample country visits, which were further informed by the questionnaire responses. **The evaluation found that patterns of demand from countries have a high degree of coherence with the goals of Member Nations which FAO is striving to support, as defined in the FAO Strategic Framework.** Within this context, with a few exceptions, those countries with high proportions of malnourished people attach the highest priority to FAO's support in overcoming hunger and rural poverty. Other countries tend to place their priority with respect to FAO on the second of the goals of Member Nations as defined within the Strategic Framework, i.e. agriculture's contribution to economic and social development.

96.   **FAO's comparative strengths and the demands of countries require** that FAO give greater emphasis to upstream support to countries. Such support needs to be able to provide inputs for the design and operationalisation of policies and programmes to combat poverty and hunger (e.g. PRSP) but also importantly for sub-sectoral policy and trade development. Also **the evaluation concluded** that:

a)   in all regions there is a need for **regional normative work**, whether to draw countries together on household food security monitoring, to address common issues of water scarcity or to eliminate barriers to trade in agricultural produce in sub-regions (to name but a few of the many examples). The issues of the middle-income countries and countries with large populations, such as India, benefit more directly from FAO's global normative work;

b)   demand for country-level technology transfer projects tends to be most important in small countries, including the small island states. In middle-income countries and the populous countries which have major intellectual resources of their own, this is not an area in which FAO has significant comparative advantage. FAO does, however, have comparative advantage in the implications of technology for policy, whether this be in intensification, bio-technology, mechanisation or agricultural industrialisation;

c)   pilot projects can play a role in demonstrating policies, approaches and technologies but they need to be utilised selectively, where they fill a genuine gap, where there is a reasonable expectation of policy makers following the results of the pilot, and where the preconditions are present for the eventual expansion of those elements of the pilot found valuable;

d)   the potential for impact from support for institutional reform and strengthening tends to be greatest in those situations where major changes are taking place, such as in the countries of the CIS or where there is acknowledgement that previous institutional arrangements have not worked, e.g. in water, forest or fisheries, management. Caution needs to be exercised to ensure that institutional strengthening efforts do not overstretch government capacities; and

e)   FAO input for rehabilitation is important following major emergencies, particularly due to war and civil strife and for livelihood maintenance in situations of ongoing emergency. Middle-income and the large populous countries do not need FAO emergency assistance for floods, droughts, etc. but may find it important in cases of transboundary disease, such as the recent avian flu, where support is required on policy and strategy, rather than with physical inputs.

4.2 Decentralized Delivery of the Field Programme as a Response to Members' Needs

97.   The evaluation found that the smaller the field programme in a country, the lower was FAO's visibility and ability to respond as a partner with government and the international community. From discussion with donors, there is scope in many countries for expansion in FAO inputs if the Organization demonstrates its willingness for flexible partnerships, playing a

supporting and not exclusively leading role, and demonstrating its technical and delivery capability.

98.   The change process for the decentralization of the Field Programme has produced some negative effects as well as positive outcomes and potentials for the future. Perhaps most notably, the disruptive effects in the early stages of the process are seen as having contributed to a decline in FAO's extra-budgetary Field Programme delivery, though this no longer seems to be the case and the causes for this are complex. The major factor was the the UNDP decision to discontinue UN agency execution. It was important at a time when FAO's overall budget reduction meant it could no longer support the same level of operational capacity it had previously maintained at headquarters. Donors were giving less attention to agriculture. There was a move away from project-based funding to various forms of programme and budget support. National execution became a preferred modality and several donors themselves decentralized responsibility to country level. The latter meant that FAO's own decentralization was increasingly important if the extra-budgetary Field Programme were to be maintained and new sources of funding mobilised.

99.   These effects can, also be exaggerated, as the relationship is complex. The best indicator of the extent to which the change process during the decentralisation was reducing the Field Programme is the TCP, which is financed from FAO's own resources and, therefore, is not subject to external factors. Following the completion of the most recent decentralization measures, TCP is now showing a marked upturn in expenditure and approvals. Further, it is apparent that the overall system for processing TCPs is operating better. TCP expenditure, which was US$ 37.2 million in 1995, fell to a low of US$ 22.8 million in 2000, but since has recovered, reaching a high of US$ 51.4 million in 2003. Although problems remain with aspects of TCP, including delays, **the evaluation thus concludes** that decentralization of field project implementation to the FAORs is now in place.

100.   FAORs now develop a programme framework for FAO in the country as part of their annual reporting and some FAORs (e.g. Mozambique) have prepared country programme documents. As of May 2004, 49 programme frameworks had been circulated. In southern and eastern Africa and in Latin America, a limited number of inter-disciplinary programming missions led by the Policy Assistance Branches have taken place and elsewhere some missions have been undertaken by the Branches without participation from other technical staff. FAORs reported that a national strategy paper for FAO action had been elaborated in 38 percent of countries with an FAOR. The great majority of FAO Representatives (90%) and National Coordinators responded that it would be useful to have such a framework (only half of HQ senior technical staff share this view).

101.   The evaluation team did observe ways in which FAO could better support Field Programme response to country needs in the context of decentralization. The first is matching FAO's response to the priorities of countries. This can only be done through sustained dialogue at national level. The FAO country level presence has to be capable and mandated to carry out this dialogue and follow through on it to the establishment of priorities for FAO's work in the country, development of specific FAO activities and management of the project cycle.

102.   **The evaluation team found** that all these efforts move very much in the right direction. Nonetheless, it observed and was informed by development partners and governments that rather than empowering the FAORs to engage in the continuing national dialogue required to develop the Field Programme and investment opportunities in the context of the PRSPs, NEPAD, etc., FAO was often relying heavily on short-term inputs from the policy assistance branches, and TCA and TCI in Rome. The evaluation team also reviewed some of the programme-type documents prepared by these missions during its country and Regional Office visits and found that many of these lacked prioritisation or real strategy. These documents were not generally widely known and often lacked ownership by the parties who did not produce them, including in some cases the FAORs and the countries themselves, the wider FAO and the donors. With the exception of Latin America, the team found the involvement of countries was in general only that

they were consulted by the mission which prepared these documents. The team found no examples of them being developed in close consultation with donors. The biggest problem, however, was that they lacked any formal status in the country or in FAO. There is no acceptance, or even wide knowledge, of these documents as representing FAO's strategy in the countries concerned.

103.   FAO's TCP is a very important tool for the Organization in developing a Field Programme response but **the evaluation found** that limits to the flexibility of the TCP, lack of FAOR authorities for decision in its use and delays, all work against it fulfilling its potential. For ease of presentation questions relating to TCP are addressed in one place in the report (Section 9.1.1).

Recommendation 1 (for early implementation): Driven by country needs and under the responsibility of the FAOR, four-year **rolling FAO national priority frameworks** should be developed with government and, as appropriate, donors, supported as necessary by FAO technical and policy inputs. Such frameworks should define flexibly the FAO priorities in support to national strategies, including PRSPs and national food security strategies developed with FAO assistance. The priority frameworks should be rolling (reviewed once every one or two years). They should not be considered plans or programmes, as the Organization does not dispose of substantial core funds but should specify intended outcomes. Care needs to be taken that they do not develop into shopping lists. For each framework, agreement should be sought with the government and formalised where possible. Frameworks should have official status in FAO and be approved by the Programme and Project Review Committee (PPRC). They should be tools against which to mobilise funds for FAO execution or execution by others and to assign TCP funding, improving the Organization's impact, coherence and image. They should also be used in defining regional priorities for more normative work and to assist in forward planning of technical support needs.

4.3 Partnerships with the International Community at Country Level

104.   The evaluation team found that although this had not always been the case in the past, FAO is now usually regarded as a cooperative player in the international community, in particular in the UN country-team where it was generally as much involved as other UN specialised agencies. However, 19 percent of FAORs responding to questionnaires did regard the quantity of requests from the UN Resident Coordinator as a problem.

105.   Significant examples were found by the evaluation team of FAO playing a coordinating role for food security and rural development, either directly or as a facilitator to government or the UN Resident Coordinator. It was recognised by international partners that the other UN specialised agencies do not have funds similar to TCP, which could be used to facilitate partnerships. However, a number of factors were noted that reduced FAO's possibilities for leveraging resources through partnership. The most important of these was often stated by international partners to be the overall lack of authority vested in the FAO Representative which meant that FAO tended to be sidelined. They also emphasised the following factors as, in their view, significant in limiting country level partnership:
a)   a lack of a country priority framework for FAO activities to which other agencies could relate and examine potentials for synergies (Recommendation 1);
b)   inadequate policy and strategy competencies within the FAOR offices (see Section 8.1);
c)   the lack of authority vested in FAO Representatives to accept funds on behalf of the Organization, even for very small projects and the lack of authority to approve TCPs as well as limited flexibility in the way TCP can be used (see Section 9.1);
d)   difficulty for FAO to support the coordination and policy development functions at country level, also because of the lack of funds for this purpose through TCP or other sources and

the lack of authority to flexibly accept small sums from other partners (see Section 9.1); and

e)   although there is no policy against this, great caution by FAO in cooperating in projects as a junior partner, even when FAO TCP could leverage much larger resources in directions which conform to the Organization's objectives.

106.   In addition to general issues of partnership in relation to decentralization, the evaluation examined particular potential partnerships at country level which had been referred to it by various Member Nations and which had received attention in the Governing Bodies. The question of shared UN premises was also examined (see Section 5.5). This importantly included IFAD and WFP and also partnership with IICA, the Inter-American Institute for Cooperation on Agriculture in Latin America.

107.   After a period of reduced collaboration the evaluation found that partnering with WFP at country level by FAO was improving particularly in the context of emergencies. There had been close collaboration and shared premises with WFP and other UN agencies for the emergency response in southern Africa. There was now scope to further strengthen collaboration at field level in the areas where the two Organizations' mandates closely interface, in particular food security assessment and programmes to improve nutrition in especially disadvantaged populations, including those affected by HIV-AIDS.

108.   IFAD is piloting various forms of country presence. The evaluation found that although FAO and IFAD have been greatly improving their partnership at global level, where together with WFP they are carrying forward the Alliance Against Hunger, the picture at national level was less encouraging. In the view of the evaluation, there is a natural synergy between IFAD at country level and FAO which is failing to be realised. IFAD is often the largest donor to agriculture. FAO has both technical expertise and a country office and yet the IFAD piloting of country presence has tended to be with UNDP, WFP or other agencies, not with FAO. FAO, admittedly extremely short of resources, has not been prepared to provide any services, including technical without charge. IFAD has thus looked to organizations which will provide free services and partner on projects. This could be an opportunity missed for both FAO and IFAD to maximise on their comparative advantages.

109.   The Inter-American Institute for Cooperation on Agriculture (IICA) concentrates on promoting sustainable agricultural development, food security and prosperity in rural communities, operating through a network of country offices spanning Latin America and the Caribbean. Some of those consulted by the evaluation team compared FAO's responsiveness in providing policy inputs negatively with that of IICA. The coincidence between the mandated areas covered by IICA and FAO led to an agreement on cooperation being signed between the Directors-General of the two Organizations in 2002. The evaluation found that although the two organizations keep each other informed at country level, this has not as yet led to significant joint action. Nonetheless, IICA was keen to deepen collaboration. A few countries have suggested that the relationship should be moving towards **merger on the WHO-PAHO model**. **The evaluation did not conclude that this would be advantageous**, given the distinctive orientations of the two Organizations and the diverse expectations of Member Nations from them.

110.   The evaluation believes it important that the two Organizations should continue to dialogue and avoid overlap, and favours strengthened efforts to identify areas where benefit would accrue from working together on particular issues, whether at the policy/strategic level, or at the project level, particularly where FAO has a comparative advantage in one aspect of a question to be covered and IICA an advantage in another. This should be followed up not only by continued active efforts at country level, but also through discussions between IICA and the FAO Regional Office in Santiago (RLC). The evaluation also considered that the extent to which joint or back-to-back meetings would be useful should be reviewed, including of the two Organizations' regional conferences.

111.   **Similar considerations for improved partnership apply to other regional agricultural organizations**, for example those in the Near East.

> **Recommendation 2:** It is recommended that FAO continue to strengthen partnerships at country level and in regions, importantly including with WFP and IICA. In particular, it is recommended that the Organization actively pursue possibilities for increased cooperation at country level with **IFAD**, including in country representation. This requires flexibility and a willingness by both FAO and IFAD to sometimes accept the other's leadership.

4.4 Normative Work in Countries and Regions and the Role of Regional Conferences

4.4.1 FAORs and access to FAO technical information

112.   During country visits, the evaluation team found a mixed picture with regard to the availability and use made of FAO information and publications (both electronic and paper). This material was generally welcomed, and in some cases valued highly by national professionals. The evaluation team heard several times from both donors and countries that the only source of some essential statistical information was FAO. However, in many countries, even middle-income countries, access to and use of the internet is difficult, even at senior levels and especially in the provinces. In other cases, there are language difficulties in accessing material. Hard copies of FAO publications often seem to end up not receiving wide in-country distribution and several copies may remain with an office in the central ministry.

113.   The evaluation was unable to systematically review FAOR libraries in the countries it visited but the impression was that these libraries are, with exceptions, not very well run and receive a limited number of visitors. The network access from the library to the FAO website is often poor. Considerations of increased physical security for UN personnel are also making it more difficult to provide easy access to FAO buildings.

114.   **The evaluation concluded** that FAORs need to give more attention to assisting the targeted distribution of FAO technical information in country and publicising the availability electronically of materials from FAO. On the other hand, expenditure on trying to improve FAOR libraries may not always be cost-effective.

4.4.2 Regional normative work

115.   Normative work was found to be essential in all regions on common problems for groups of countries and, although important for all, is of particular interest to medium-income countries. Work on the border line between normative and technical support for such things as food security assessment or development of sub-regional trade often has a particular application in the least developed countries, including those of Africa. Some global normative work has had a particular input into work at regional level, for example that on: forest sector review; fisheries management; and food security assessment. Other normative work has fed strongly through into training and awareness building, such as that on trade issues in the light of WTO negotiations and for non-tariff issues in agricultural and food trade. Also, some headquarters-based technical programmes may have a need for outposted officers working directly on aspects of such programmes, for example the regional fisheries bodies or regional development of FIVIMS.

116.   The evaluation team found that at present, programming of normative work is undertaken by the technical departments in Rome. The Regional Offices' input into the programming of this work in two ways. Individual services and officers consult their officers in the regions to varying degrees on the programme, but generally the regional officers' role in this is very limited. Also, regional representatives provide the headquarters departments with a view of regional priorities, taking account of the views of regional conferences. These vary in usefulness and can sometimes almost be shopping lists, reflecting a compilation of the inputs of the regional technical officers.

The Regional Office for Asia and the Pacific has developed a strategic framework document and the Regional Conference for Europe confirmed priorities for Europe within the overall FAO Strategic Framework. The Organization's intranet based programme planning, implementation reporting and evaluation support system (PIRES) enables the regions to see what is being proposed by the headquarters departments. There are no regional FAO normative programmes (programme entities) at the present time, although there is nothing to specifically prevent these.

117.   The evaluation found that integration of the Regional Offices into the programming process had improved since the 1994-95 decentralization but, on the whole, regional views were poorly articulated and were given rather low priority by the headquarters departments. FAORs can indicate what they consider to be priorities for FAO assistance in their reports and OCD apparently draws these views to the attention of headquarters departments but as far as the evaluation could determine, the formal role of FAORs in normative planning is currrently minimal and their views are not consolidated at regional level.

118.   **The evaluation concluded** that strong links between global normative work and the specific normative requirements of individual countries, groups of countries and regions are essential. However, the present arrangements are not fully achieving this, due to an inadequately interactive system for consolidated analysis of regional needs for normative work, and a need for stronger links between the decentralized offices and headquarters in the planning and execution of normative activities.

Recommendation 3 (from the 2006-07 biennium): For normative work and work in support of groups of countries at strategy level:

a)   Regional Representatives should be able to propose in full discussion with the relevant technical units' normative work for the region and for groups of countries. Such entities could often cut across the Major Economic and Technical Programmes (Departments). As they will be driven by the overall regional priorities rather than particular technical areas, it is proposed that a proportion of Chapter 2 technical programme resources should be pooled for regional/sub-regional programme entities (PEs) and major outputs in global PEs, which should be discussed fully with the relevant technical units. These should integrate work by staff from HQ as well as those in the regions. It is believed that regional programme entities would also provide an opportunity to gain complementary extra-budgetary funding on issues of high priority for a region.

b)   Regional priorities should be defined with:
   • an analysis of the commonalities in the country priority frameworks;
   • discussion between Regional Offices and FAORs;
   • analysis of the outputs of global normative work which need adaptation to regional application;
   • Regional Conference discussion of programme priorities in the context of the Medium-term Plan (MTP), paying particular attention to the regional programme entities and regional interests in global work; and
   • full involvement of the Regional Representatives in the discussions of the MTP and PWB.

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119.   This is not expected to result in a rigidly integrated vertical model for programming FAO's work from the country level up. The evaluation noted the dangers of the inflexible budgeting of programme funds at country level in certain of the other specialised agencies. The proposed model for FAO would feed country needs into regional and global programmes. Regional normative work would form part of an integrated FAO programme. Global normative work should continue to be a mixture of global potentials, opportunities and comparative advantage but the country and regional perspective within this should be enhanced.

120.   The proportion of resources for normative work should not be uniform by region or sub-region. It is also the case that if the recommendations of the evaluation are accepted for the

organization of technical services to countries, the balance will shift to varying degrees towards direct support to countries by the regional technical staff. The discussion of country needs made it clear that in Africa and the Pacific, the emphasis was very much on the demand for technical support services. Elsewhere, considerable value was seen in normative activity, especially the type which is on the border between normative and technical support to a group of countries with common issues to address. This type of work should also be supported through the regional programme entities.

4.4.3 The role of the Regional Conferences

121.   Members of the evaluation team observed two of the FAO Regional Conferences[12] and views on the regional conferences were also obtained from Member Nations during country visits and through questionnaires. The format of regional conferences has evolved but members consider that these are still too standardised in their agendas and approach and do not always adequately facilitate real dialogue in line with the cultural norms of the region. Member Nations attach importance to the Organization listening carefully to their views in preparing the conferences. While 47 percent of countries responding to questionnaires found the overall usefulness of Regional Conferences to be good, in Latin America this figure was only 13 percent and in Asia 25 percent. The single biggest problem for countries was that the conferences were not sufficiently focused on areas of regional priority. Members also consider inadequate attention is given to the views of Regional Conferences in determining FAO's work programme.

122.   The conferences have a potential to highlight key issues within a region, but this potential has not been not fully realised. The evaluation found that members consider that it is important for conference papers not to duplicate issues which are being handled in many other regional fora and to lead to clear and precise conclusions and recommendations by the conferences. They need to form part of a process which leads to action by FAO and the members. FAO is not the only regional body for agriculture in many of the regions and if the Regional Conferences are to re-emerge as *"the agricultural forum for each region",* partnership with other organizations and inclusion of other organizations in the proceedings could be important. In so far as is possible, timing should facilitate their involvement in the FAO programme planning process.

> **Recommendation 4** (for early implementation): Regional Conferences should be flexibly designed in format and content to meet the needs of the region and their voice should be institutionalised in the Organization's programming, planning and budgeting processes, particularly with respect to activities for the region.

5 RESOURCES AND MODALITIES FOR FAO COUNTRY PRESENCE

123.   Capacity at country level is closely linked to issues of staff competencies, technical and administrative support and to the delegation of authority, which are discussed separately in Sections 6.3.8, 8.1, 9.1 and 9.2. This section of the report examines the modalities for country presence and ensuring adequacy of resources.

5.1 Declining Resources and Matching Country Office Capacities to Needs

124.   Through various forms of representation, country coverage has increased by about 23 percent since 1994. With the 2004-5 budget cuts, the FAOR network is now over 10 percent under-funded against the original budget, which itself was premised on high rates of vacancies in posts. In addition to the relatively small size of offices (typically an FAOR and 7-10 national staff), the overstretched resources are demonstrated by the gaps in filling FAOR posts, and to a lesser extent senior national posts, which the evaluation team was informed had become a necessity of budget management. Such periods of vacancies were reported by all those consulted

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[12] Latin America and Caribbean and the Near East.

to have very serious and negative implications for FAO's effectiveness. In responses to questionnaires, 57 percent of FAORs reported leaving FAORs vacant to be a moderate to major problem. Field programme development, policy dialogue and partnerships were all very deleteriously affected, as was FAO's reputation. FAO has been to some extent covering key vacancies by the use of FAO retirees for short periods. This is preferable to leaving the post fully vacant, but far from satisfactory (although use of a retiree for a longer period (e.g. 12-18 months) would be a possible solution on occasion).

125.   During the course of 2003, 37 percent of FAOR posts[13] were vacant for some part of the year. The average duration of the vacancy was 5.3 months. The longest single vacancy was 13 months. The 2004-05 budget cuts may worsen this situation further. Also, if steps are only taken to replace an FAOR after the incumbent has left this can make clearance of candidatures for the incoming FAOR with the country more difficult.

Table 4: Duration of FAOR Vacancies			
Duration of vacancy	0-3 months	4-7 months	more than 7 months
Percentage of vacancies	38%	24%	38%

126.   FAO offices have a maximum of 22 national staff in one Latin American country and a minimum of five in several countries. Within this spectrum, offices with 15 or more staff make up eight percent of the total and are all found in Latin America where governments contribute to the provision of national staff. Thirty-two percent of offices have 10-14 national staff and this group includes a few African countries with relatively large numbers of undernourished people and a high dependence on agriculture. A further 40 percent of offices have from 5-9 national staff. OCD distinguishes three categories of FAO Representation and their staffing is intended to be based on a set of criteria related to the country which OCD states include proportion of agricultural labour force in the total population, GDP and the size of the field programme, as well as additional countries covered through multiple accreditation, but it is also stated that budget cuts have eroded this differentiation with the need to retain a minimum of staff in each office. The evaluation statistically examined personnel resources devoted to each FAOR against criteria of the size of the FAO Field Programme and country needs in terms of the number of malnourished and the number of people dependent on agriculture. No clear relationship was discernable between these.

127.   **The evaluation has concluded** that the decentralized structure must be designed for maximum effectiveness within the available budget. FAO's country presence is increasingly thinly and unevenly spread with over-stretched resources. There has not been an adequate recent profiling of FAO country offices, matching needs and available resources. Given these overstretched resources, in a number of countries funding absorbed by FAORs and the new Outposted Technical Officer/FAORs is not balanced with requirements (given the relatively small numbers of malnourished people, small agricultural populations and agricultural economies, and in some cases relatively high GDPs per capita (excluding countries with special needs such as the small island states)). At the same time, some countries with large absolute numbers of malnourished people and with large numbers of agriculturally-dependent people are not receiving the attention in terms of the size and capacity of country offices, which they merit. Some countries, notably the CIS group, are not adequately covered at all.

128.   **It is concluded that attempts to maximise the number of countries with an FAOR have resulted in a heavy price in effectiveness.** It was noted that there were examples of UN specialised agencies, in particular, UNESCO, which had closed a number of country offices in

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[13] This is based on countries with a resident full FAOR, not being covered from a Regional or Sub-regional Office, and excludes Iraq which was vacant for special reasons.

order to obtain greater effectiveness within available resources. Among the UN funds and programmes, UNDP and WFP had also closed country offices.

5.2 Modalities for Country Presence

5.2.1 Multiple accreditation

129.   FAORs with multiple accreditation were unanimous in their responses to questionnaires, in their view that the other countries to which they were accredited did not need a full-time FAOR. Key informants, particularly the responsible FAORs, felt that while the principle of multiple accreditation was sound, national programme officers in the countries of secondary accreditation had generally been recruited at too low a level. For multiple accreditation to work optimally, there is a need for the FAOR to visit the country frequently, which may be difficult, but should be clearly required in the workplan. An international officer with responsibility for Djibouti, who visits it frequently, is stationed in Addis Ababa and this arrangement was reported to work well. It was also noted that one FAOR post had been left vacant where the FAOR office had a very senior national deputy in place and this seemed to work to the satisfaction of all parties. In other words, this country can manage well with a de-facto national FAOR. There is also some room for adjustments to render the system more efficient. For example, the FAOR for Botswana is based in Harare, which normally requires a change of plane in South Africa where there is also an FAOR who is one hour's flying distance from Gaborone.

130.   There are several relatively small countries with capitals within a few hours drive, or one hour's flight, of each other which currently have separate FAORs. In examining possibilities for increased multiple accreditation in terms of proximity and workload, the evaluation estimates that, in an appropriate manner, **multiple accreditation could be used for five of the countries currently staffed by FAOR/OTOs and 5-6 of those countries which currently have a resident FAOR**. Improved coverage through technical groups on airline hubs headed by FAORs with multiple accreditation is also a possibility, particularly in the CIS.

131.   UN Resident Coordinators suggested to the evaluation team that rather than being housed in separate offices, national programme officers in countries covered by multiple accreditation could often be more effective if they were placed with UNDP, which would exercise some supervision and this would favour their integration into the UN country team and status vis-à-vis government. This, they also argued, would facilitate the payment transactions which UNDP may carry out in such countries on behalf of FAO. While the costs of this would depend on the arrangements to be made with UNDP, the idea does have merit and should be further examined.

5.2.2 International administrative officers in FAORs

132.   The evaluation found that the posts for international administrative officers in FAOR offices, of which there are 16, were being used for a mixture of programme responsibilities and administration but that the officers concerned were not always well suited for the posts. The evaluation team was also informed by FAO that international administrative officers were sometimes used to assist with training and systems in neighbouring countries. The evaluation could not see why, in a situation where the multinationals are able to staff their offices to very senior levels in most countries with nationals, as do the IFIs, FAO is unable to do the same. In both emergencies and situations where FAO has a large Field Programme, it may be possible to hire the international administrative input against extra-budgetary funds. This does, however, require FAO to adequately grade such national staff, though they would still cost substantially less than the internationals they replace. The **evaluation concluded** that this is an area for savings, and for replacement of internationals by nationals, except in complex emergencies and some other special situations.

5.2.3 Use of National Correspondents

133.   National correspondents are government officers who handle FAO contacts and correspondence in developing countries, where there is no FAOR or national programme officer.

There are currently 24, of whom all but eight report to an FAOR under multiple accreditation arrangements. They are paid a small honorarium by FAO based on the government salary for the proportion of their time spent on FAO business (this ranges from a minimum of 20 percent to a maximum of 60 percent of their time). In general, they do not appear to receive recognition from the UN community in the country. The national correspondents, in their responses to questionnaires, stated that the inadequacy of FAO support is a major problem in terms of office accommodation (50%) and transport (67%) but they generally reported that computers and communications were satisfactory. Inadequacy of briefing, orientation and training from FAO was considered a major problem by 29 percent. They also reported that they lacked an individual point of contact in FAO. As might be expected, the national correspondents were found by the evaluation to vary greatly in their performance. It may also be noted that the role of national correspondents would be reduced if the recommendations for coverage of the CIS countries were accepted (see Section 6.5).

134.   UNDP has suggested that in some situations, for example where it is difficult to find a person in the Ministry of Agriculture who has the necessary skills, there could be merit in employing a UNDP Programme Assistant part time. This deserves to be examined on a case-by-case basis.

5.3 Increasing Resources for Country Offices

135.   Some of the measures discussed above could free greater resources for countries. The evaluation also noted the willingness of countries to cover office space and other facilities for FAORs in several countries and under the new FAOR/OTO scheme. Many countries are also providing national staff and in some countries this provides the opportunity to reduce FAO's own provision of national staff, freeing-up resources for use elsewhere. Apparently, government cash counterpart contributions currently cover eight percent of FAOR office costs.

136.   The evaluation also considered a number of other possibilities for FAO to increase country office resources:
a)   Capacity and the FAO Field Programme: The larger the FAO Field Programme in any one country the greater the visibility and flexibility of action of the Organization, with greater resources of technical consultants, national staff, etc. Extra-budgetary resources in the Field Programme can be leveraged for capacity. With due regard to the services covered under normal project servicing costs (support costs), some FAORs include, where appropriate, in the project budgets shared support staff for the projects to be stationed in the FAORs. This also generally happens in emergency programmes, but it could be much more the norm. Sometime this same concept could also be applicable to the sharing of technical expertise across projects. Subject to the agreement of the donor, there could also be the possibility to reimburse some FAOR posts in part for the provision of Chief Technical Adviser (CTA) services to projects where those projects absorb a lot of the FAORs' time and are directed at a major national programme. This is the case in Guatemala, and rather than looking at this formula primarily for coverage of additional countries and for the funding of a post entirely from extra-budgetary resources, it could be employed in countries which already have FAORs, extending the pool of resources available.
b)   Use of volunteers and secondments: The evaluation team saw several examples of FAORs mobilising considerable and valuable support from international and national sources in the form of volunteers and secondments. It was also noted, however, that the FAORs had difficulty in providing such staff with computers, FAO identities for network access, etc. Such flexible arrangements need to be encouraged and supported by FAO procedures.
c)   Country advisory panels: Many FAORs have local contacts with people who have technical and policy knowledge. If FAO were to appoint country technical resource advisory panels for scientific and policy matters with individuals selected purely on the basis of their personal knowledge and experience, this would give the FAOR a source of ad-hoc technical advice and a place to refer others, such as visiting donor missions. It is quite possible, given the dedication of many people, that panel members would be prepared to make a good deal

of input without remuneration, especially if the advisors had a status wherein the Organization acknowledged their role. With the numerous calls on FAO technical officers' limited time, expertise already in the country is very frequently going to be timelier for small ad-hoc needs than that in FAO headquarters and Regional Offices. This is also very much in line with one of the stated objectives of the decentralization, i.e. the greater use of national expertise. However, it should be recognised that this mechanism is not universally appropriate. In some countries, governments would find that independent advisors were a duplication of the governments' own role and there would need to be an agreement with panel members which made clear the limitations of their role.

d) Abolition of regional technical posts to increase resources at country level: It was suggested to the evaluation team that FAO should abolish most technical posts at regional level in order to place an additional international staff member in most countries or, alternatively, to cover the costs of two to three additional national professionals in each country. As discussed below (Section 6.3), the provision of technical services from the regional structures has not been fully satisfactory but member countries look to FAO for transfer of global and regional experience. **The evaluation team concluded that increasing technical posts at country level would reduce FAO's technical capacity and weaken, rather than strengthen, countries' access to appropriate technical expertise**. The evaluation team thus addressed how to make appropriate international technical expertise more effectively available, rather than how to replace it with national expertise or reinstate an international programme officer type post in FAORs.

> **Recommendation 5** (for early and continuing implementation): The evaluation team is of the firm belief that the decentralized structure must be designed for maximum effectiveness within available budget. FAO should rigorously and flexibly pursue measures to achieve greater proportionality[14] and effectiveness in resource use. Strengthening should include:
> a)   expanded use of multiple accreditation, including in countries currently covered by a full FAOR. At the same time requirements for the coverage of second countries, including systematic country visits and flexible attendance at UN country team meetings, etc. should be put in place, with FAORs normally required to spend an average of 4-5 days a month in countries of second accreditation. Adequate national staffing in the country of second accreditation should be assured;
> b)   for countries with an FAOR, the reduction of vacancies, with the continuous presence of an FAOR in post (overlapping outgoing and incoming FAORs by one month where possible);
> c)   replacement of the majority of internationally-recruited administrative officers in FAORs by suitably qualified and graded nationals;
> d)   to the maximum extent possible national correspondents should be supported through multiple accreditation. Their capacities should be assessed and where it is unlikely that the country can provide a national correspondent with the necessary competencies, they should be replaced wherever possible with FAO administrative assistants or programme staff in country. The evaluation team also recommends that national correspondents should: (i) always report to an FAOR or an official with designated responsibility for their country in a regional/sub-regional office; (ii) receive much greater training and orientation from FAO; and (iii) receive an honorarium based on a formula which combines the volume of work actually performed with other performance criteria (rather than receiving the current flat payment);
> e)   greater insistence upon the provision of national inputs into FAO offices, particularly in middle-income countries, with use of the offsetting savings elsewhere;
> f)   Use of volunteers, secondments and national expertise; and
> g)   Flexible measures to mobilise additional resources, including from extra-budgetary resources.

5.4   FAOR/Outposted Technical Officers (FAOR/OTOs)

137.   Proposals for this approach to staffing country offices with international staff were considered by the Council in November 2000 on the basis of the report of the previous joint session of the Programme and Finance Committees[15], which "agreed that they be implemented with caution". The scheme essentially has two components: i) a technical officer is outposted to a country with no FAOR where that country requests it; and ii) the country is prepared to provide basic facilities of office, telephone, car, secretarial support, etc. The evaluation team interviewed

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[14] A view shared by the JIU in 2002 when it stated "The Council may wish to formally define a set of objective criteria to determine the nature and extent of FAO country representation. These criteria should reflect not only the specific needs of the countries as measured by their indicators of human development and designation as low-income, food deficit countries, but also the cost-effectiveness of FAO activities at the national level". Joint Inspection Unit, REP/2002/8, Geneva.

[15] Joint Meeting of the Eighty-fourth Session of the Programme Committee and the Ninety-fifth Session of the Finance Committee, September 2000, JM 2000/2 – "Taking into consideration the concerns expressed by some members, the Committees agreed that the proposals should be implemented with caution paying due attention to: the need to appoint to these new positions fully qualified staff members with both technical and managerial expertise; the application of existing mechanisms for regular performance appraisal; the need to ensure that FAO Representatives continue to discharge their functions independently; and the capacity of recipient countries to fulfil their obligations which will accrue from the implementation of the proposals.

The Committees suggested that at some future date they should receive a progress report based on an evaluation of the new arrangements."

all FAOR/OTOs through country visits or by telephone[16]. The FAOR/OTOs also completed questionnaires. Initial experience is discouraging. All FAOR/OTOs reported in their questionnaire responses that the budget for FAOR functions and balancing technical work with FAOR functions were a moderate or major problem.

138.   Most countries have met their basic obligations to provide office facilities and staffing, but often only to the minimum level. FAOR/OTOs thus reported difficulties with staff who did not work, vehicles without fuel, poor email services, etc. This can result in a situation where the FAOR/OTO is unable to work effectively as he/she lacks basic facilities and has to spend a great deal of time trying to overcome difficulties. These difficulties would apply to any form of FAO representation which relied entirely on national facilities.

139.   The willingness of countries to provide offices, etc., is something to be very much welcomed whether for FAOR/OTOs or other forms of representation. However, the team concluded that full government funding of office support should not be strictly linked to the FAOR/OTO form of representation. There is always the need for some supplementary funding to enable the FAOR/OTO to run the office, even if they are eventually reimbursed by government. They thus need to have an imprest account, which apparently is not the case at present. On the other hand, in middle-income countries, there should be greater expectation that FAOR office costs will be borne by the government.

140.   The second issue concerns the use of technical officers in this way. Of the nine FAOR/OTOs (May 2004) three were drawn from the Policy Assistance Division (TCA) and five from the Agriculture Department. One is funded from project funds and here the formula seems to work relatively well, with sufficient office resources also assured. For the remainder they, and their parent units, in general, report that they are currently unable to carry out technical work to any significant extent, in particular outside the country in which they are stationed. One water officer found the situation more satisfactory and was able to serve four countries. TCA is trying to develop technical workplans for these officers but finds, in common with the other parent technical divisions, that the country in which the officer is stationed may not be a priority for that discipline. The establishment of FAOR/OTOs is thus a transfer of resources from technical work to the FAOR function while the budget remains largely within the technical programme. It is also noted that several of the FAOR/OTOs have been placed in countries with limited needs in terms of size of the agricultural sector, number of malnourished, etc. and also that several of the countries concerned have very highly-qualified nationals available who could serve as Deputy FAORs under multiple accreditation arrangements.

141.   Elements of the underlying philosophy for combining FAOR and technical capacities are captured in proposals made by the evaluation. These include the suggested extension of FAOR responsibilities for the Subregional Offices in the Caribbean and Pacific and the new technical hub groups with FAOR responsibilities suggested for the CIS and Africa.

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[16] Algeria, Argentina, Equatorial Guinea, Guatemala, Jordan, Libya, Panama, Paraguay, Qatar.

> **Recommendation 6** (for early implementation): While understanding the concern to extend FAO's country presence and couple it with technical expertise, the evaluation concludes that the FAOR/OTO scheme should be discontinued in its present form and the countries covered through a combination of the other means, discussed in this report (including multiple accreditation, transfer of a full FAOR from a lower priority country, or servicing by a designated officer from the regional/ sub-regional offices or the proposed technical groups).
>
> If the FAOR/OTO scheme is continued:
> a)   rather than placing FAOR/OTOs particularly in new countries for FAORs, the needs of countries for particular technical inputs, such as policy, should be identified and then the FAOR substituted with an FAOR/OTO for the duration of the technical assistance requirement, and the funds released utilised to extend the pool of resources for FAORs;
> b)   the question of whether to rely entirely on national contributions for funding of the office should cease to be a condition of the FAOR/OTO modality.

5.5 Accommodation for the FAOR Office

142.   Some member countries have proposed that FAO offices should normally be housed jointly with other UN organizations at country level in a UN House. The evaluation team found the importance of this issue to be exaggerated. FAO currently has a mix of stand-alone premises (often provided by the government), offices in ministries of agriculture (which is relatively uncommon), and offices in shared UN premises. The main consideration in the choice of housing for FAO has been cost. Shared UN premises can frequently be more costly than those which FAO obtains for itself, especially when the government provides assistance. OCD states that the preferred option is no cost and located in the Ministry of Agriculture. WHO, a comparator agency, is normally housed in premises provided by the ministry of health. The evaluation found that housing FAO in the ministry of agriculture can lead to insufficient attention to other sector ministries concerned with water, livestock, environment, forestry and fisheries. It can also reduce access to ministries of finance and planning. A single UN home is simply not available in many countries. While UN premises do give a better interface with other UN agencies and may promote the image of unity in the UN system, the main factors in interchange between agencies were reported by all partners at country level to have little to do with the location of premises. While access to other UN partners may be facilitated, access for government officials and the public are generally reduced, particularly with recent security considerations. Security considerations are also important in the calculation as to whether UN personnel are safer in one location or being scattered.

143.   In short, **the evaluation concluded** that the issue of housing for the FAO office needed to be handled on a case-by-case basis but accommodation within the ministry of agriculture was not generally desirable.

5.6 FAO Presence in Countries Affected by Emergencies

144.   In countries in crisis with natural disasters or complex emergencies enduring over several years, FAO has a role in the coordination of the international response to help maintain food production, and in agricultural rehabilitation, including ensuring adequate information on the agricultural and food situation. FAO also plays a direct role in supporting households to maintain production.

145.   Complex emergencies generally last for several years. They fall into two categories, as regards country level support, i.e. those which can be handled from the capital of the country concerned and those which must be supported from outside the country, either because there is a complete breakdown of government or because the part of the country requiring assistance is in

civil strife with the government. Thus, flexibility of arrangements from the side of FAO is essential.

146.   In all emergencies, delays in implementation have more serious consequences than in development situations. This is particularly the case with emergencies involving pests and diseases such as locusts which get worse if not addressed immediately. Strategic thinking on the immediate situation and the future is essential but time lost in re-establishing or continuing agricultural production can lead to permanent marginalisation of households and almost always to increased food aid requirements. This requires specialist expertise and management capability.

147.   Emergency and rehabilitation work is currently handled through the Emergency Operations Division (TCE) in Rome, which deploys emergency staff to respond, as well as providing operational support in headquarters. FAORs, with support from these emergency staff, take responsibility for contracting and purchasing within the limits of existing authorities. However, the evaluation found that in some countries, there were conflicts of authority between FAORs and the emergency coordinators employed by TCE (which is budget holder for the funds). There were also divergences in emergency – rehabilitation and development strategies (the first of these driven by TCE and its emergency coordinators, and the second by the FAORs supported to varying degrees by Regional and Subregional Office teams).

148.   In the UN structure in emergencies, UNDP and the UN Office for Coordination of Humanitarian Affairs (OCHA) now generally field a joint UN coordinator and there is not a separate UNDP Resident Representative/UN Resident Coordinator. FAORs frequently lack the rapid "can do" skill set essential for emergency and rehabilitation work and also are unfamiliar with the policy considerations important in rehabilitation strategy. Training could assist in this regard.

149.   **The evaluation concluded that in countries dominated by complex emergencies**, the first priority is to unify the lines of command and responsibility, rather than having divergent arrangements for the emergency work and continuing development projects, which can and do cause tension.

Recommendation 7 (implementation by 2007):

a)   For major complex emergencies enduring over several years, FAO should develop a cadre of FAORs/Senior Emergency Coordinators who are immediately rotated to replace the existing FAOR. They should be granted budget holding responsibility as soon as the necessary operational support can be put in place. Part of their costs should be borne by the extra-budgetary emergency programme, while part should remain on the FAOR budget. Four to five such FAORs would be a sufficient core to initiate this scheme and if they were not needed to serve in a complex emergency they could be appropriately placed as an FAOR elsewhere, or with TCE. Both existing FAORs and Emergency Coordinators may be qualified to be placed in this pool but the prime consideration is the capacity of this limited number of high calibre individuals to strategise and implement support along the full emergency-development continuum.

b)   For outside major emergencies, the response should also be tailored to the specific situation. For emergencies where i) the FAO office has adequate capacity; ii) the FAOR's aptitudes are consistent with managing a rapid response; and iii) either the FAOR or the FAOR with support from an emergency coordinator can undertake the necessary substantive management: - then budget holder responsibility should be with the FAOR. In other situations, including those where an FAOR/Senior Emergency Coordinator does not have adequate in-country capacity, budget holder responsibility may be retained by TCE, which needs to maintain a flexible operational capacity for this purpose and for the first line of response in emergencies. Criteria need to be developed for this, and decisions should be taken on a case-by-case basis.

c)   The essential continuing central functions of TCE should receive increased Regular Programme funding through adjustments within Chapter 3 (they receive only very limited Regular Programme support at present and rely almost entirely on project support costs).

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150.   The success of these measures depends, however, on agreement to raise FAOR budgetary authority levels and authority to agree projects at least in emergency response (see below). It also depends upon the willingness of FAO to display a decisiveness in moving in the necessary FAOR/Emergency Coordinators which it has found difficult in the past. If this transition cannot be made, it would be counter-productive to move away from the present arrangements with TCE which work reasonably well. Mobilisation of funds for emergencies will continue to require central capacity in TCE, as well as clear responsibility and authority to mobilise funds in the country or region.

6 PROVISION OF TECHNICAL SERVICES IN THE REGIONS AND THE ROLE OF THE REGIONAL OFFICES

6.1 Current Structure of Roles and Services in the Regions

151.   To facilitate the understanding of the implications of changes proposed in this report, some features of the current reporting lines and roles of the decentralized offices are summarised briefly below:

a)   The FAO Regional Offices are each headed by a Regional Representative and, with the exception of Europe (D2), these are at ADG level. The Regional Representatives, Subregional Representatives and FAORs all report independently to the Director-General, with OCD facilitating this reporting relationship, particularly for the FAORs;

b)   Within the Regional and Subregional Offices, technical and policy staff are appointed by, provided budgets by, and report to their respective headquarters technical units. The administrative staff and any information officers report to the Regional/Subregional representative. Although in the Regional Offices technical staff are grouped by technical department, officers' reporting lines are separately to their units in Rome. These are the

formal lines of responsibility, but departments vary in the extent to which they will consult the Regional Representative on staff appointments, budgets and work-programmes and for some units this can work reasonably well, although few Regional Representatives are satisfied with the arrangement;

c)   Regional/Subregional Representatives are allotted the budget for all of the staff and activities of their offices which they manage and also have administrative control over the staff in the office. This can give those Regional Representatives who choose to exercise it, considerable leverage vis-à-vis staff work plans (especially travel) and use of non-staff resources, but not over programming; and

d)   The stated principle regarding support to the Field Programme and direct technical support to countries by FAO staff is that the best quality services should be made available to the extent possible from the point nearest to where the needs are. This is intended to put the decentralized offices at the forefront in carrying out such activities. However, as lead technical units for both the formulation and technical support of the Field Programme are in headquarters, this does imply that the decision on where technical support should come from is firstly with headquarters.

6.2 The Roles of the Policy Assistance, Investment and Operations Divisions

6.2.1 The Policy Assistance Branches and the Policy Assistance Division (TCA)

152.   **Policy Assistance Branches:** One of the major features of the 1994-95 decentralization was the establishment of the policy assistance branches in each Regional Office, with policy assistance officers also in the Subregional Offices. The evaluation team examined the work of the branches and their relation to the services provided from headquarters through their new parent division, the Policy Assistance Division (TCA). The evaluation found that the establishment of a completely new division merging the policy assistance units in the Economic and Social Department and the programme officers in the former Development Department, had inevitably produced some difficulties for the required competencies of staff, effects on morale, etc.

153.   In discussion, and reviewing the outputs of the policy assistance branches, the evaluation found that there have been several changes of expectation in the work to be performed by the branches. This particularly applied to expectations for policy work, preparation of sector reviews and country briefs (the latter primarily for FAO internal use) and aspects of field programme development, including preparation of country programmes, assistance to FAORs in preparation of projects and resource mobilisation and field project pipeline monitoring.

154.   The **evaluation team concluded** that there was some need for clarification in the underlying expectations as regards the role the policy assistance branches play in field programme development. It has been made clear that FAORs have the lead role in country but there has been some expectation that policy assistance branches would help in mobilising donor funds. With their increasing decentralization, donors make decisions either at country level, in their capitals, or both. They may have Regional Offices but their regions do not correspond to those of FAO. The role that can be played by the staff of the policy assistance branches is thus no different from that of other technical officers and is rather limited, except when they visit a country.

155.   In developing country field programmes, FAORs need assistance from the whole regional technical support group and the role of the policy assistance branch in this may be to help supply a strategic perspective and to assist in the design of specific policy or strategy interventions. The idea that also seems to be sometimes current, that policy assistance branches can prepare programmes at country level which would then be provided to donors for funding is also unlikely to be very effective. Policy assistance branches together with the rest of the technical team in the region could provide very useful assistance to the FAORs in the development of the country priority frameworks discussed above. It does, however, need to be recalled that there can be a

conflict of interest between providing neutral policy support to a country and trying to promote a continuing project role for FAO[17].

156.   In the Regional Offices, there was some ambiguity about the respective roles of the officers of the policy assistance branches and those few staff from the Agricultural and Development Economics Division and the Commodities and Trade Division. There is now a move to recruit into the policy assistance branches staff with sub-sectoral policy expertise (e.g. water management). The evaluation team found a need for sub-sectoral strategy expertise but believes that this needs to be seen in the context of the regional technical support team as a whole and that further overlaps could now arise with the duties of the officers recruited by other technical departments, such as Agriculture and Sustainable Development.

157.   The evaluation **concludes** that the management of the policy assistance branches separately from the other technical officers in Regional Offices can contribute to duplication of function and a lack of integration in the response of the office to country technical support needs.

158.   **The Policy Assistance Division (TCA) in Rome**, through its Policy Coordinating Service (TCAR), provides as its main function a coordination and information exchange service for the policy assistance branches. It is the centre point in preparing for briefs for FAO management on countries. It also consults with the technical departments, especially Economic and Social (ES) to provide an interface with the work of the policy assistance branches. The view of regional staff reported to the evaluation team is that the utility of this information exchange function is limited. The Agricultural Policy Support Service (TCAS) draws from normative work for country application, preparing training and information materials on aspects of policy. Training of developing country personnel is carried out in cooperation with the policy assistance branches. It also carries out its own studies for formulation and adaptation of policy. To date the role has been performed very largely drawing on ES Department but this is intended to be expanded. The decision to activate an FAO inter-departmental task force on policy assistance is very welcome. TCA divisional management wishes to move towards a more networked way of working with the policy assistance branches, transferring experience across regions. In addition, the staff of both services have supplemented the resources in the policy assistance branches for country and regional studies, particularly requests for urgent work.

159.   If TCA can achieve a more networked way of working some of the present central information exchange work can be reduced and this is thus supported by the evaluation team.

160.   There is scope for review of the division of work between TCAS and ESA, ESC and SDA on studies and training material development. However, the **evaluation concludes** that the function of producing easy-to-read policy and strategy briefs derived from the normative work of FAO, but also of others, needs to be greatly increased and the role of TCAS in this is positive. Such briefs should address sub-sectoral and sectoral issues as well as the sector- macro interface and should be directed not only at policy officers but at all technical support staff and especially at the FAORs.

161.   Also at present, TCA de-facto provides a team of policy staff who can be used flexibly across the world to support the policy assistance branches as needed. The intention is to make more flexible use of staff in the policy assistance branches across continents but this could be difficult, especially if work becomes more programmed by demands in the region. **There could thus be benefit in the continuation of some policy support work by staff in TCA in Rome (or alternatively TCI, which also carries out policy work), with these staff continuing to travel to the regions as required. The evaluation team concluded that there is some scope for transfer of staff from TCAR and TCAS to the regions but this is limited.**

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[17] see also Evaluation of FAO's Policy Assistance (Cooperation with Member Countries in the Development of National Policies (1994-99) with particular attention to FAO TCP) – PC85/4.

6.2.2 Operations branches in the Regional Offices

162.   Operations branches in the Regional Offices have an uncertain status. In some of the offices, they have been providing a valuable help-desk function to FAORs and have provided some training and guidance notes. The evaluation concurred with the findings of the FAO internal review of Field Programme decentralization in Asia, that small field programme support groups of operations officers in each Regional Office, should have the responsibility for pipeline monitoring and follow-up together with FAORs, as well as delivery monitoring and providing a help-desk. Policy assistance groups have also been asked to monitor the project pipeline, a split in responsibilities and aptitudes of staff which the evaluation team concluded was not working well. It is possible that in some regions, transfer of this function would justify transfer of a post from the policy assistance branch to operations (where some of the incumbents with a programme background are well suited to this type of work). The **evaluation thus agrees** with the FAO Field Programme Committee that a small Field Programme Unit be established in each Regional Office. This clarification of roles could also have implications for TCA and TCO organization at headquarters.

6.2.3 Limited potential for decentralization of the Investment Centre Division (TCI)

163.   The Investment Centre Division (TCI) has had staff members working as liaison officers with the World Bank in Washington and the Asian Development Bank, as well as one staff member located in SAFR (east and southern Africa). The evaluation team reviewed with the World Bank and IFAD in their headquarters and with their country offices and those of other IFIs, the value of these liaison officers, which was found to have been limited partly by the competencies of the individuals and their lack of knowledge of FAO as a whole and what it had to offer. With regard to the further decentralization of TCI personnel to country or regional level, the IFIs felt that this would be a negative move. They found it easier to interact with central teams and did not feel that individual TCI staff would have the same value if limited to one country or region, or if associated with the office of one or another IFI at country level. In short, everyone spoken to was against any further decentralization of TCI.

6.3 Issues in Adequate Technical Support to Countries[18]

6.3.1 Views of countries and FAORs

164.   FAORs varied greatly in the extent to which they felt support was available from the Regional and Subregional Offices. Overall, 53 percent reported that there had been no major change in the speed of response since the decentralization, while 34 percent felt that there had been an improvement. Sixty-five percent felt that there had been no significant change in quality. The two regions where the largest proportion of FAORs reported a decline in speed of response were Africa (19%) and Latin America (18%). FAORs were also asked if they preferred technical support from headquarters or the Regional Office. In the Near East, there was a strong preference for headquarters (63%). In Africa, 70 percent had no strong preference but 22 percent preferred headquarters. In Asia and Latin America, the balance of preference was in favour of the Regional Offices. Overall, 23 percent of FAORs found that obtaining adequate technical support was a major problem and a further 46 percent found it to be a significant problem.

165.   In summary, taking the findings of the questionnaires in conjunction with the information gained through country visits: overall levels of satisfaction by FAORs and governments were reasonable in South East Asia, China, South America and the Caribbean. The South Pacific was a special case, as there are no FAORs but services were found by the visiting mission to be good, although some of the very small islands receive limited visits, as does Papua New Guinea. Dissatisfaction with FAO technical services was high in Africa, even in countries with a close proximity to Regional and Subregional Offices (8 countries visited). FAORs were very strong in

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[18] Unless otherwise stated the discussion in this section of the report applies equally to technical staff under the five main technical departments of FAO (AG, ES, FI, FO, SD) and staff in the Policy Assistance Branches.

their statements that they did not get the services they needed from the Regional and Subregional Offices and saw very little of their staff. There was also limited satisfaction in central Asia and to a lesser extent central America by FAORs. Most of the CIS countries, especially those of central Asia were receiving limited attention and also had no FAORs.

6.3.2 The quantity of technical support available from the Regional and Subregional Offices

166.   The actual volume of supply of direct assistance services to countries and the Field Programme from Regional and Subregional Offices is determined by a large number of factors, apart from the actual number of staff available (which has increased by 65 percent since the decentralization of 1994/95). In terms of volume of technical and policy staff available in the regions, ratios in terms of numbers per country are more or less uniform for Africa, Asia, the Near East and Latin America, varying from 1.2 to 1.4 per country. These ratios for Caribbean and the Pacific are much lower in view of the large number of small countries (0.6 and 0.4 respectively). In terms of ratios to population in agriculture, the figures are much lower for Asia, and relatively high for the small island states. Figures for Europe and the CIS are low on any basis of calculation.

167.   Regional technical staff often report only having sufficient Regular Programme funds available for one or two trips a year. This clearly means that these staff are unable to operate effectively. Table 5 supports this. The travel allotment per post averages US$ 10,600 (enough for two to four trips per year). Overall, the lowest amount in Europe (REU) allows for roughly one trip while the maximum in the Pacific (SAPA) for two or three (given the distances involved). Actual travel from the Regular Budget for technical/advisory support at country level are very low indeed, taking into account that this allotment is also used for travel for meetings and training (which is a substantial part of the missions). There is some fungibility in non-staff resources which can allow increases in travel. However, such a transfer would be done at the expense of meetings, training, etc. If deficits occur in the Regional Offices, they can only be covered by further cuts in non-staff resources.

Table 5: Travel allotment per year average for technical and policy posts by office			
Regional/Subregional Office	**US$ (000)**	**Regional/Subregional Office**	**US$ (000)**
RAF	14	SLAC	13
SAFR	14	RNE	10
RAP	13	SNEA	9
SAPA	19	REU	7
RLC	12	SEUR	13

168.   Staff also travel on project budgets. For each project in FAO, a lead technical unit is appointed for backstopping. This unit is a headquarters unit and although sometimes the unit may designate its regional officer as the lead technical officer, this is often not the case. Regional officers complain that a disproportionate share of the travel in support of projects is undertaken by headquarters officers, thus denying the opportunity to the regional officer to combine other country support activities with project travel, gain country knowledge and earn income from secondment. They also point out that travel by regional staff is generally cheaper.

169.   The guidance provided to the Regional Offices is that technical staff should devote at least 50 percent of their time to direct support activities. Under the work measurement survey, regional staff report just over half their time on direct support. However, notwithstanding the data staff report in the work measurement survey, this seems to vary substantially between offices and individual staff, as does the actual requirement of the region for more normative work. Also important is the instructions to individual regional officers from headquarters to undertake normative work as part of global programmes, and the interest of individual offices in direct

support to countries or normative work. Over 70 percent of regional technical staff stated in their responses to questionnaires that they should be more heavily engaged in providing direct advice and project support to countries. Seventy-one percent also stated that they should devote less time to global normative Regular Programme activities**.** While Regional Representatives and technical staff report that the demands on officers from headquarters can limit the time they have available for direct support to countries, headquarters sometimes complains that regional officers can spend very little time on their programmed normative work because of ad-hoc requests from regional representatives (a majority in questionnaire responses).

6.3.3 Country visits by regional staff

170.   **Balance in distribution of country visits**: There is a disproportionate concentration of country visits on a limited number of countries in all groups of countries except for the south of Latin America where the problem is less. In each of the country groupings, the 25 percent of countries most visited receive more than half of both the visits and the total duty travel time by regional officers. The top ten most visited countries include those for which communication is easy and tend to be middle-income countries which are also regional centres for conferences, meetings and workshops. The least visited 25 percent of countries received no visit days at all in the CIS and only one percent of the total visit days in central America; and four percent in both Asia and Africa. The reasons countries had not been visited at all, or very little, during 2003, included emergencies or visa difficulties, but this was not generally the case.

171.   **Time devoted to country travel:** Nearly 60 percent of regional staff spend more than 60 calendar days per year travelling, and those travelling for more than 90 days made up 33 percent of the total. **In the view of the evaluation**, it would be desirable for regional staff to spend at least 100 calendar days of travel per year directly serving countries. Officers are most active in travelling in Asia (RAP) and the Pacific (SAPA). The Latin American figures reveal the greatest spread with 50 percent travelling for less than 30 days. In Europe, the Subregional Office (SEUR) figures show one third of staff travelling for less than ten days per year.

Table 6: Number of Days Spent on Duty Travel per year by Regional Technical and Policy Staff			
Region/Subregion	Percentage of Staff Spending Days on Duty Travel Per Year 2002		
	<30 days	31-60 days	>60 days
Africa (RAF and SAFR)	4%	36%	60%
Asia (RAP)	14%	7%	79%
Pacific (SAPA)	0%	25%	75%
Europe (REU and SEUR)	29%	14%	57%
Latin America and Caribbean (RLC)	50%	17%	33%
Caribbean (SLAC)	0%	60%	40%
Near East (RNE and SNEA)	17%	33%	50%
Overall	12%	26%	58%

172.   One of the factors in the ease and extent to which countries receive technical services is the geographical placement of the office in terms of centrality to the area, but even more important the best available airline connections. Thus, Bangkok is well placed, especially for South East Asia where it is an airline hub for the zone, and the same applies to Cairo for most of the Middle East. Travel in Africa presents particular problems, as it does in the CIS.

6.3.4 Demand and supply for country work by regional technical staff

173.   FAORs wish to access both direct technical support and support for field programme development and implementation. Virtually all developing member countries stated in response to questionnaires that more authority should be given to FAORs to obtain short-term technical inputs from FAO staff. Donor involvement in country field projects with FAO usually arises from a process of partnership and dialogue at country level, right from the identification of the idea. Thus, FAORs need to be empowered for field programme development in country through technical support which FAORs and member countries in questionnaire response indicated was most useful in the form of relatively short recurrent visits. Policy and strategy dialogue also requires continuing support.

Table 7: Distribution of Time when on Duty Travel by Regional Technical and Policy Staff	% of Total Time on Duty Travel
Support to Projects (national and regional)	36%
Project and Programme Development	19%
Total Field Programme	**55%**
Policy and Technical Support to Countries (independent from projects)	**11%**
Attendance at Meetings and Workshops	16%
Support to normative Regular Programme work (apart from meetings) and other activities	18%
Total normative	**34%**
Grand Total	100%
Source: Staff questionnaires	

174.   As reported in staff responses to questionnaires, more than half of the time on duty travel by regional technical staff is devoted to the Field Programme. The proportion is significantly higher for Latin America (RLC) but much less for the Caribbean (SLAC). For the Near East (RNE), attendance at meetings and training workshops is nearly equally important as project and programme development. Normative activities occupy 34 percent of travel time. However, an analysis of actual travel data carried out by the evaluation team shows that attendance at meetings has a much larger part in the overall time than Table 7 indicates. Both sources of data reveal the small proportion of time during duty travel spent on direct support to countries on policy or technical work independent of projects. This corroborates what the evaluation team heard from FAORs, who report that they get very little direct support in response to a demand unless this can be funded through a field project which also reimburses staff costs.

175.   The FAO work measurement survey indicates that regional technical staff spend 57 percent of their time on project support and only eight percent on non-project related direct support to countries. RLC reports 71 percent of time on projects and only four percent on direct support but there is a relatively uniform response from other offices, with RAF and SAFR reporting slightly higher than average figures for both project and direct support.

176.   It was **concluded** that FAORs and countries have a relatively weak voice in determining the provision of technical services by the regional technical staff. FAORs request technical units at headquarters and regional representatives to deploy staff to spend time and scarce resources in responding to direct country needs but these have their own programme of work. In the Field Programme, some resources and reimbursement of staff costs is possible but the evaluation concludes that direct support to countries outside the Field Programme is more supply than

demand driven and there are no major financial or substantive incentives for the provision of technical support which is independent of the Field Programme.

6.3.5 *The subject matter mix of available expertise*

177.   The subject matter mix of technical staff in the regions has been arrived at through a combination of factors. These include:
a)   a survey of needs for disciplines by countries at the time of the 1994-95 decentralization;
b)   views formed on needs by the Director-General and senior staff, on their visits to countries; the assessments of the Regional and Subregional Representatives; and the views of the Regional Conferences;
c)   historical, in that the Regional Offices already had posts in 1994-95 and these have generally been maintained;
d)   the assessments of technical programme managers and their willingness to place staff in the regions. With significant exceptions, they have been very reluctant to do this (which most admit, citing the need for critical mass at headquarters, difficulty of adequately supervising outposted officers, and the possibilities for providing technical services directly from headquarters); and
e)   the major policy decision at the start of the decentralization process to place policy officers in new policy assistance branches in the Regional Offices.

178.   Technical officers in the Regional and Sub-regional Offices are appointed by and report to headquarters at the level of service or division and in the case of a few forestry officers at the department level. **The evaluation** found that as the staff members are charged against the programme entities of their parent technical units, those units expect them to work on their area of subject matter specialisation and their terms of reference also limit the staff to working as outposted officers of one headquarters service or division. The specialisation of the staff is thus not always in line with the requirement for a front-line technical response which should be able to take into account broader policy and strategy considerations, in line with countries' growing demand for upstream inputs. The demand is also for staff with a broad perspective who can cover a wide range of issues within a relatively broad technical area (e.g. livestock, fisheries and forestry), identifying needs for specialist expertise as necessary. The evaluation team noted that sometimes individuals might fit the required profile, but their terms of reference were, nonetheless, unit-specific.

6.3.6 Multidisciplinarity in direct support to countries and normative work

179.   The technical officers in the regions are responsible to individual headquarters units. In the Regional Offices, there is normally a senior officer who is intended to have a coordinating role vis-à-vis the staff originating from a headquarters department, but they have no direct authority over their colleagues at regional level from that department. The Regional Representatives are consulted to varying degrees by the technical departments on the programmes of technical officers but also have no formal authority over their work.

180.   The Regional Offices have now established country task forces in Europe, Asia, Africa and the Near East, but these task forces are only really operative when a specific mission or visit occurs and do not in general appear to be working at the strategic level. In Latin America and the Caribbean, groups have been established for each grouping of countries and the countries within it. In Latin America, seminars were held in the Regional Office with government and other representatives from the countries concerned, following changes in government to prepare a number of country strategies. In Asia, and to some extent Africa, country approaches have been discussed in the Regional Office with the FAOR.

181.   The **evaluation found** that in the small Subregional Offices, in Latin America and to some extent Asia, Regional/Subregional Representatives were able to bring together staff for multi-disciplinary discussion of country issues and organize some inter-disciplinary missions. It was reported that this collaboration did not include normative work and that most country work

was also undertaken by individual officers. In some cases, officers play-off headquarters against the Regional Representative to do work of their own choosing or to limit the amount of work they did. Despite the finding of the evaluation that most of the regional normative needs and much of the need for direct country work is multidisciplinary, the FAO organizational lines of reporting and terms of reference of regional technical staff do not facilitate multi-disciplinary action.

182.   Finally and perhaps most importantly, the mix of technical disciplines provided is the result of the factors discussed above and not entirely needs and demand based.

6.3.7 Role of the Regional Representatives

183.   FAORs often told the evaluation team that they would find it very useful to have a senior officer's support at critical stages of policy or programme discussions, including the potentially important role of mobilising funds from donors. They wanted senior back-up in advocating the Organization's main messages but this was not generally available. FAORs also said that they would find it useful to input into a dialogue on problems affecting similar countries in the region and this could best be coordinated by the regional representative. The Regional/Subregional Representatives do not generally travel widely in the region. They have limited budgets and clearance is difficult to obtain from headquarters for familiarisation visits. Regional Representatives are thus limited in their knowledge of the countries in their regions and their opportunity to discuss policy issues with ministers. They often do not have a close working relationship with the FAORs and this limits their understanding of their needs, including needs for technical support. One regional representative told the evaluation team that he could not go to countries but could pay for ministers and FAORs to come to the Regional Office. He was authorising travel of groups of people from countries to the Regional Office at considerable expense rather than visiting the countries himself.

184.   Regional Representatives also do not visit headquarters very frequently or as a general rule attend FAO governing body meetings. This would be important for face-to-face discussions and mutual understanding between senior staff in headquarters and the representatives on organizational and regional programme priorities. It would also be important for Representatives' wider understanding of the FAO context and in ensuring the unity and coherence of the Organization, which is sometimes reduced by their comparative isolation.

185.   **The evaluation concluded** that regional and sub-regional representatives are under-utilised in support of countries and in development of a responsive FAO programme for the region. The Organization's unity, as well as the pertinence and effectiveness of its programmes as a whole, would benefit from their closer integration into the Organization[19].

6.3.8 Conclusions - Ensuring and strengthening convergence between FAO regional technical support and needs

186.   There is now a need to improve the convergence between regional staffing and the technical support requirements of countries. While there are major differences between regions, certain characteristics are common, including the requirement for more upstream policy and strategy oriented expertise and a requirement for staff with this senior sector strategy perspective who are knowledgeable in their sector/sub-sector and can identify the needs for more specialist expertise where necessary. **The evaluation concluded** that in summary there was a sub-optimal use of available resources and that the present arrangements for provision of technical staff in the regions suffered from the following problems which need to be addressed:

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[19] The JIU in its 2002 report wrote "Limitations on the authority delegated to the RRs, as well as the use of confusing and contradictory language in the main internal document outlining their responsibilities, have restricted them in their ability to perform their duties effectively. As a result, the decentralization of the Organization's activities has been limited in effect to their operational and some of their administrative aspects, while policy decisions remain strongly centralized at headquarters." JIU idem.

a)   staffing profiles need to be better balanced with needs of the region for normative work and countries for direct assistance;

b)   capacity for a multi-disciplinary response needs to be increased;

c)   response needs to be both more demand driven and based on a prioritised work-plan;

d)   technical officers need to be able to travel more easily, have more resources for travel and spend more of their total time in countries; and

e)   Regional Representatives need to be able to travel widely in the region.

187.   The evaluation notes that with such constrained resources any solutions to this mix of problems will be less than ideal but provides the following recommendations to make more effective use of available resources and provide a strengthened response to countries.

Recommendation 8 (for implementation by 2007): Those posts in the Regional and Subregional Offices which are fully needed for headquarters-based normative work, such as servicing fisheries bodies, should be designated as out-posted technical staff working strictly under the direction of their technical units. The budget allotments from these staff would also be retained by the headquarters technical units. For planning purposes the budgets, for all remaining technical staff in regions (the great majority) should be transferred from the headquarters-based programmes of the Organization to regional programmes. This would allow posts to be planned on the basis of an overall analysis of the needs of the region and global normative work. Once the staff mix is determined for each biennium, a proportion of this budget should be at the disposal of the technical programmes to utilise regional officers for this global normative work. The possibility could be considered of also retaining the allotment for this with the technical divisions. The remaining budget allotment should be with the Regional Representative.

The Regional Representative should have the final responsibility for defining and overseeing the work-programmes of the staff for regional normative and country support work.

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188.   In making this recommendation, the evaluation is aware that within the FAO secretariat, this may be the most controversial recommendation in its report. Staff in headquarters technical units and the Regional Representatives hold diametrically opposed views. Headquarters senior technical staff in their responses to questionnaires favoured a lesser role for Regional and Subregional Representatives than they have at present in determining the work programmes of staff. Over 60 percent of the respondents among HQ senior staff wish to retain the present balance in decision-making on posts in Regional Offices, as well as in staff selection and appointment. Regional technical officers on the other hand feel that they should be entrusted the overall lead for work in their regions/sub-regions (78%), the lead for support to countries with direct advice (82%) and the lead for support to national field projects (88%). Conversely, HQ senior technical staff consider that the overall lead for work at country level should remain in HQ, though by a smaller majority (60%).

189.   The evaluation team has concluded that the shift proposed in Recommendation 8 is one of several changes necessary for the FAO decentralization to deliver the expected technical response to country and regional needs, rather than being primarily driven by the equally important global normative agenda. It would strengthen the unity of purpose in the Regional Offices and build up team spirit and inter-disciplinary work.

190.   However, this change also has potentially negative implications, including a reduced sense of commitment to the regional staff and regional programmes by the headquarters technical units. The adjustment of job descriptions to provide broader sector expertise, as discussed above, would mean that officers would relate technically to a headquarters department as a whole or to a division, not normally to a service, also perhaps reducing feelings of direct ownership and belonging. The **evaluation found** that this sense of commitment at present is variable. In Regional Offices, many of the technical staff reported feeling disconnected from their units in

Rome. The appreciation of regional technical officers' roles and work by headquarters is considered a significant problem by 66 percent of them when responding to questionnaires. This was especially the case in Africa and the Near East. In headquarters, 45 percent of respondents among senior technical staff consider that the limited opportunities for interchange with technical colleagues in the region constitute a major problem.

Recommendation 9 (implementation by 2007 in parallel with Recommendation 8): It is recommended that in order to offset the dangers posed by the proposed adjustments in the budgeting, programming and reporting lines for regional and sub-regional technical officers the following complementary changes should be implemented (a number of these are also the subject of separate recommendations in other sections of the report):

a) Headquarters technical units should retain a significant role in the selection and technical performance assessment of regional staff. Performance assessment would include the monitoring by headquarters of the technical quality of outputs;

b) Headquarters departments should continue to participate in the establishment of the regional work programmes, including the technical support to countries in which headquarters officers should also be involved;

c) The visits of technical officers to headquarters for interchange (which has been strengthened by all departments and now works well in several) should be the norm and should be annual;

d) A rotation policy should be instituted between headquarters and the regions;

e) As regional officers will in many cases no longer have a directly corresponding unit at headquarters (they may be more inter-disciplinary), each regional technical officer should have a focal point officer in headquarters and also a wider technical support group of designated officers. This group should provide support but also monitor the technical quality of work and be consulted on major pieces of technical output;

f) Headquarters units may, where appropriate, have the lead role for regional normative programme entities or major outputs and this should always be a joint endeavour; and

g) Regional Representatives, who would be fully involved in programming and work-planning, should report on the adherence of the office and its staff to organizational priorities.

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191.   Support to countries by regional technical staff should be largely demand, rather than supply driven, with the regional representative being ultimately responsible for managing a demand driven work-programme. FAORs currently have no resources outside projects to buy-in staff time from within FAO and **TCP could be more important than it is in this** (for ease of presentation TCP is considered as a whole in Section 9.1.1).

192.   Demand would gradually be reflected in the staff mix available from the office and assessing needs should be an ongoing process. In addition to the measures recommended below, balancing staffing with needs could be facilitated by periodic country support assessments. Care would need to be taken to ensure that the assessment process was: adequately consultative within countries and went beyond the main line agricultural ministry; sufficiently involved FAORs; consulted the international community; and did not force responses to be along disciplinary lines through the nature of the questions. Written questionnaires are, it is believed, unlikely to be helpful in this regard.

193.   FAORs feel a major need for discussion amongst themselves and with the regions. Thirty six percent said that absence of meetings for this was a major problem and a further 28 percent felt it to be a problem.

> **Recommendation 10** (immediate implementation): Support to countries by regional technical staff should be largely <u>demand driven</u>. To this end:
> a) Rolling work programmes of technical support should be drawn up for technical staff on the basis of requests from FAORs. These plans should be discussed with FAORs from groups of countries at meetings convened by the regional representative to agree priorities. The meetings should also discuss common issues and have a role in developing the normative programme. The work-programmes would naturally be subject to adjustment in the light of developments (this is the practice in WFP for Asia and WHO consolidates country and regional planning); and
> b) To help determine the demand for different technical disciplines and the demand for particular professional officers, monitoring should be introduced of requests by FAORs for person-days of input by technical/policy discipline and by professional officer. This should include requests which could not be met. The results of this demand monitoring should be tabulated and available to managers to assist in adjusting the disciplinary and skill mix available.

194.   In order to improve the Organization's responsiveness to demands, the evaluation team also explored possibilities for expanding FAO's internal market in services to member countries. Internal markets mean that staff have to earn a proportion of their staff costs and, in the view of the evaluation, can form a valuable tool in delivering greater responsiveness. There have been difficulties with existing systems for reimbursement of staff time (largely from projects) which need to be addressed[20]. It is thus **suggested** that a scheme be <u>piloted</u> to test an internal market for the demand driven provision of services. Under this scheme, only 40-50 percent of technical staff salaries and non-staff resources for support to countries would be allotted to the Regional Office for the biennium. The balance of these resources would then be allocated to the FAORs to buy in the staff resources they required. It is suggested that this scheme be piloted in the Pacific where the FAOR and the Subregional Representative would be held by one person and two or three of the technical hub groups (if the principle of such groups is accepted – see below). Alternatively, it could be tried for one Regional Office, e.g. RLC.

195.   Regional officers complain that the headquarters lead technical units shut them out from project support work. This begins with project design, when lead units naturally influence projects towards their own areas of expertise and interest. As projects move more upstream, support by single technical units becomes less appropriate and the multi-disciplinary expertise and broad perspective advocated by this report for the Regional Offices would often mean that the lead would most appropriately be assigned in the Regional Office at the level of the regional representative, in order to coordinate the work, calling in headquarters expertise as necessary. In other cases, projects continue to be more narrowly technical, and if Regional Office staffing moves more upstream, this type of expertise may become less, rather than more available. In such cases, lead responsibility belongs in headquarters.

> **Recommendation 11** (early implementation): When projects are designed and declared operational lead responsibility should preferably be assigned to the Regional or Subregional Office, but this decision will be made on the basis of technical content and the availability of expertise. Regardless of where the lead is, networked cooperation in technical support between headquarters and regional specialists should be the norm.

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[20] These problems have included: i) difficulties with reimbursement for work undertaken near to the end of a biennium (a problem for 72% of regional technical officers responding to questionnaires); ii) an apparent problem some experience with administrative systems in charging back; and iii) the fact that reimbursements often do not accrue to the group of staff who earned them because they have to be utilised to cover shortfalls in earnings or over-expenditures elsewhere (a problem for 58% of the regional technical officers).

196.   In order to ensure an increase in the multi-disciplinary quality and expertise in groups of countries, arrangements in the Regional and Subregional Offices need to go beyond the country-task forces which are too numerous to really engage officers and which generally only meet around a specific action or event. **The example of RLC in setting up task-forces for specific groups of countries deserves emulation**.

197.   There is a need for placement of staff in closer proximity to countries, especially in parts of the world where travel is time consuming and expensive. **Technical groups** of FAO senior sector specialists are recommended for some groups of countries to support the FAORs. It is envisaged that a technical group would normally be situated on an airline and telecommunication hub and their ease of communication by telephone and to visit countries frequently for just a few days would be a particularly valuable feature. It has been suggested to the evaluation team that such technical groups should be placed with regional economic groupings to reinforce their development. The evaluation concludes that where this coincides with a geographical hub it could be desirable but the overriding principle is to improve national access to technical support. Both their proximity and the more limited number of countries they would deal with should facilitate flexible response and in-depth country knowledge. Each group would have 5-7 senior technical sector specialists with policy and strategy expertise defined on the basis of a needs assessment. They would cover such areas as food security, institutions, land, livestock, forestry and fisheries as appropriate. They would be sufficiently senior in their field to be able to provide both a strategic overview and identify what more specialist expertise was required in any given situation. The team should be kept flexible as to staffing in line with needs (moving to fixed term contracts) and could be supplemented with more short-term staff as necessary and when resources permitted for new issues affecting the group of countries. Teams should also be flexibly relocated where necessary in line with changes in logistics and needs. The teams would be housed and administratively supported by an FAOR and would execute work programmes agreed by the regional representative.

Recommendation 12: Over the two forthcoming biennia (2006-2009), it is recommended that technical groups be established in airline hubs through re-definition of existing regional posts. Six to seven such technical groups are proposed below for areas of the world with particular travel difficulties and a need to make more policy/strategy and general expertise readily available to FAORs.

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198.   As an alternative to technical groups and various measures to improve the demand driven response, it was suggested that the evaluation examine **the potential for short-term posting of technical staff to priority countries to meet specific needs.** This would be in line with the need for greater proportionality in FAO's response in terms of country needs and potentials. It would allow the FAOR to be supported for a sustained period. The **evaluation team concluded** that this could be an appropriate action in certain situations and generally endorses the flexible use of diverse measures. It, however, does not consider this a mainstream alternative to integrated technical support from regional structures. It would limit the number of countries with access to technical services at any one time. Unless there was a major adjustment in the expertise available, there would be a shortage of staff with the necessary overview in their sector. It is doubtful whether large numbers of staff would be willing to spend extended periods of many months away from their duty stations. It also does not take account of the view expressed by FAORs, governments and the international community, that the need is often not for full-time expertise, but for sustained support through relatively short, but relatively frequent visits.

199.   **A major reduction in regional and sub-regional structures was suggested to the evaluation by some FAO headquarters staff, as an alternative to tackling the issue of improving services from regional structures**. It was argued that this would allow the Organization to concentrate resources on countries which are the front line in any decentralization. It would facilitate maintenance of adequate critical mass for global normative

work; simplify lines of command; and allow for major savings in senior posts. Some also felt it would strengthen the direct link between global normative work and country needs. The evaluation team did recognise some attraction in this approach and felt that every effort had to be made to involve headquarters staff in normative work for groups of countries as discussed above (Section 4.4.2). However, the evaluation concluded that overall the disadvantages considerably outweighed the advantages and included:

a)   a loss of regional and inter-disciplinary perspective, and with it reduced possibilities to tackle the common normative issues of groups of countries;
b)   reduced detailed knowledge of countries; and
c)   increased costs of providing technical support, particularly in Latin America and the Caribbean and in Asia and the Pacific.

200.   Most importantly, it would tend to shift the balance away from countries and in favour of global normative work and a supply driven agenda.

201.   Also to improve the quantity and immediate responsiveness of technical staff support to countries, the evaluation has concluded that the issues need to be addressed of **funds available for travel** in addition to that of the placement of staff in closer proximity to countries. Travel is the most single expensive item in the adjustments suggested here for technical servicing, but there are other costs. A reduction in the number of technical posts in Regional Offices is thus proposed. Such a reduction is necessary to enable the remaining officers to be effective and is possible if posts are adjusted to provide broader up-stream expertise, in line with demand.

> **Recommendation 13** (over the forthcoming biennium 2006-07): In order to free resources for staff travel (including travel by the Regional Representative); improved consultation with FAORs and headquarters; and greater use of regional expertise, FAO should reduce the number of regional and subregional technical posts by 15-20 percent.

202.   A further need for clarification and specialisation of that expertise for the countries of the region is in the effective use of expertise in the country coverage of offices. It is **recommended** that **no country should fall in two regions for technical support** (without prejudice to their freedom to choose their region for Council representation). The exact country coverage of the Sub-regional Offices should be specified and the first line of call should be on the Subregional Office (the only sub-regional offices where there is at present some ambiguity are those for central and eastern Europe (SEUR) and East and Southern Africa (SAFR)). The coverage of proposed technical groups should also be clearly specified.

6.4 Increasing the Use of Local Expertise for Technical Response in the Regions

203.   In their responses to questionnaires, member countries virtually all felt that more use could be made of regional and national expertise, although in Europe and the Near East support for use of national experts by countries was less.

Table 8: Use of national and TCDC expertise				
Use of national experts since the decentralization				
FAORs who report use as	More	67%	About the same	30%
Regional technical officers who report use as	More	56%	About the same	40%
Regional technical officers who report calibre as	Good	27%	Adequate	57%
Use of TCDC experts from within the region since decentralization				
FAORs who report use as	More	50%	About the same	43%
Regional technical officers who report use as	More	45%	About the same	50%
Regional technical officers who report calibre as	Good	39%	Adequate	47%
Regional technical officers who report low fee rates as a problem	Major problem	45%	No problem	17%

204.   Responses to questionnaires indicated that there had been an increase in the use of both national expertise and TCDC expertise from within the regions since the decentralization and related reforms. The lowest reported rate of increase in national expertise was in Africa and the highest in Europe. The Near East had the lowest increase in use of regional TCDC expertise. Similar data collected from headquarters staff showed that they were less likely to have made use of national or regional expertise than their colleagues in the regions. In general, the ceiling on fee rates was regarded as a problem in recruiting TCDC experts of the required calibre and this problem tended to be regarded particularly seriously in headquarters, but was also a significant problem for the regional technical officers, as can be seen from the table. Asia was the region which found this to be least of an issue. Calibre of the TCDC experts was also an issue. While the largest number were rated adequate by respondents, Asia and Europe found a quarter of them to be poor.

205.   **The evaluation concluded** from its discussions that there was the opportunity to make more use of national and regional expertise but the present arrangements for its use are limited by each assignment being a stand-alone consultancy. Thus, the individuals feel no particular loyalty in terms of making themselves available to FAO; it is difficult to use them flexibly for very small pieces of work; and a good deal of administrative work is required each time an individual is employed. TCDC arrangements require clearances and secondments not required in other forms of consultancy. Also, **the rates paid for TCDC or national consultants can be a barrier to use of individuals of international calibre in their own country or region**. Adequately flexible arrangements tailored to individual medium-income countries which would like to provide expertise as donors are not available. The evaluation was informed of one trust fund designed to facilitate this from the Czech Republic and a large number of middle-income countries which would like to develop donor relationships in cooperation with FAO for use of technical expertise outside the existing TCDC scheme.

> **Recommendation 14** (start of implementation 2006-07): <u>Regional specialists on call</u>: Groups of countries should have some type of call-down (retainer) contractual arrangement with resource persons who would be available to a group of countries. The specialists would provide a flexible extension of FAO's overall capacity and they would be made to feel part of FAO, perhaps through an annual meeting and by an information network. The panels would be coordinated by the technical staff in the region (Regional Offices). Such individuals would provide ad-hoc short-term support to FAORs, comment on drafts, etc., but should also undertake more substantive pieces of work, and could be engaged in recurrent activities such as dialogue on aspects of strategy. It must be borne in mind, however, that for a variety of reasons, including language and stage of development, this arrangement with regional/country group specialists will not be equally pertinent in all regions.

206.   The concept of regional specialists on call was generally welcomed by those with whom it was discussed. As call-down (retainer) contracts would be for a year or more rather than for a single assignment, the individuals would be available for ad-hoc consultation and very small jobs (which would normally not justify the paper work of a contract). A further advantage of call-down contracts is that once the contract is awarded, the person concerned can be used much more rapidly than is the case when a new contract is required. The team was warned against too great a reliance on FAO retirees in such arrangements as it was suggested that these were of mixed quality and their knowledge could be out-of-date. An alternative to the use of individuals is arrangements with institutions, but there is a clearer line of response and accountability, ownership and assurance of a known quality with individuals. However, this does not rule out better development of the centres of excellence with designated relations and service agreements with FAO.

> **Recommendation 15** (for early implementation): FAO should flexibly develop country specific arrangements with new donors for supply of technical expertise, particularly drawing on the willingness of middle-income countries to take on this role. In some cases, these could be linked to regional specialist on-call arrangements.

6.5 Implications for Regional Structures

207.   Evident from the above discussion is the need for FAO to move towards more flexible structures which can serve the specific needs of different groups of countries and also adapt over time as those needs change. With the measures discussed above, including the development of technical groups for some country groupings and the appointment of regional expertise in panels, it is envisaged that structure would change in the following major ways.

208.   Africa is a priority in terms of all indicators and the decisions of the FAO Governing Bodies as embodied in the Strategic Framework. However, the differentiation between the treatment of countries needs to be brought more in line with the size of the problems they are addressing. The level of dissatisfaction with the present technical support arrangements was found to be very high, with most countries finding it very difficult to obtain the technical support they required in a timely way. Africa is thus one of the regions in which the most substantial changes are proposed.

209.   In Asia, the basic structure of the decentralization was found to function well. There is a higher requirement for more normative work than in continents dominated by LDCs. There has, however, been a lack of concentration to priority countries in the work of regional staff. The LDCs merit special attention.

210.   In the Near East, the need for major change is not envisaged, but it is noted that the Sub-regional Office (SNEA) serves five countries for which the language requirements are not

uniform[21]. The countries are also easily reached from either Cairo or Rome and the group of staff is very small (three professionals, smaller than the technical groups proposed above).

211.   In Latin America, the small states of central America have particular needs but are quite distant from the Regional Office and receive proportionately less visits. The Regional Office has established working groups to particularly address issues of each of the sub-regions.

212.   The CIS is the other group of countries where a major problem of FAO country coverage and technical support was identified. Two technical groups should probably cover the Caucasus countries and the central Asian CIS countries[22]. Flexibility would need to be maintained on the sighting of technical groups with the changing needs of the region and the possibility of additional countries becoming FAO members. The FAOR function for the countries covered by the technical group should be vested in the office and there should be a dedicated operations officer (who could be a national) but whether he/she should be stationed in the hub or in the Regional Office could depend on issues of connectivity.

213.   A significant issue for the effectiveness of the decentralization is that of the location and independence of the European Regional Office. Advantages of the location in Rome include: i) some possible efficiency gains from use of HQ administrative and communication facilities (offset in the case of an alternative eastern or central European location by higher GS costs in Rome); and ii) greater possibilities to interact on all matters with HQ, including with the technical units (but the European office still experiences difficulties in mobilising HQ interest). The disadvantages are that it gives the office little visibility and status and it dilutes focus on the office's mandate with headquarters type concerns. There is also a complete overlap between its work and that of the Subregional Office in Budapest. The disadvantages of an alternative location are that a separate MSU would need to be established. Alternatives suggested to the evaluation team were:
a)   Location of REU in Brussels with LOBR. The case for this is mainly based upon the argument that the venue for the majority of the European countries' discussions is Brussels on matters of agriculture, trade in agricultural and food products, and to some extent aid. Costs would be relatively high in Brussels, including probable rental costs for a building. The danger would be that REU became focused on the EU, to the neglect of the European and other CIS states in most need of FAO cooperation. It would have an image as a "rich country office"; and
b)   Location of REU in Budapest. The advantages of this are that, there is a very adequate building available and Hungary is prepared to provide services. Electronic communication is excellent. Location in the new accession states might enable the office to obtain additional staffing on a no-cost secondment basis. The office also provides a good location to mobilise resources from the new EU states to assist the CIS. These countries have shared a transition experience with the CIS countries. It is a reasonable centre for meetings, etc. Unification with the Subregional Office would provide the opportunity to save on senior posts. However, two offices are still left inside the EU (as well as headquarters) and the office would not be able to directly support a technical group serving the CIS.

214.   **The evaluation concluded** that the Regional and Subregional Offices should be combined and the immediate advantages of Budapest outweighed any disadvantages. The Regional Office should probably be located there for the immediate future, recognising that the bulk of its work is likely to gradually be focused further eastwards and most staff would be in two technical groups serving the CIS.

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[21] Algeria, Libya, Mauritania, Morocco and Tunisia

[22] The Caucasus countries (Georgia, Armenia and Azerbaijan) and Moldova and Ukraine; Central Asian CIS countries: Kyrgyzstan, Kazakhstan, Uzbekistan, Turkmenistan and Tajikistan.

215.   Both the offices in the Caribbean and the Pacific function well. There are **areas for improvement** including:

a)   FAO Representative functions: The Subregional Representatives should be the FAOR for all countries in the Pacific. Papua New Guinea may justify a national programme officer;

b)   Project operations: In these two sub-regions, the budget holding and operation of projects in the Regional Offices for countries without FAORs or for sub-regional projects leads to duplication of effort. Budget holding and operations should be transferred to the Subregional Offices. The one operations officer in Bangkok dealing exclusively with the Pacific islands would be better placed in the Subregional Office; and

c)   In the Caribbean, there are gains to be made from specialisation in language. The evaluation team found that English language skills were not always strong in the Regional Office (RLC). Although officers were making a major effort to upgrade Spanish skills in the Subregional Office, the pool of qualified people to recruit from is much greater if there is not a requirement for dual language capability. English-speaking countries in the southern Americas share a cultural identity and should thus come under the Subregional Office, while the Spanish-speaking islands should be serviced from the Regional Office, through a central America technical group (ideally located in central America).

Recommendation 16 (for implementation by 2009): In all cases, the Regional Offices should retain their secretariat functions for the regional conference and support of other fully regional activities and continue to provide regional MSU support:

a)   in Africa, four technical groups should be established covering, with a reduction in the staffing of the Accra and Harare offices: i) Anglophone west Africa and Francophone central Africa, housed in Accra; ii) southern Africa; (two further technical groups on air and telecommunication hubs from which member countries can be better served); iii) Francophone west Africa; and iv) Anglophone central and eastern Africa[23];

b)   in Asia, a group of experts on call-down contracts should be established to serve the technical support needs of south Asia, including Afghanistan. This could be supported with some coordination capacity and possibly a policy specialist;

c)   for the CIS countries of Europe and Asia, two technical groups should be established. The countries of central Asia should now be included in FAO's European region, as is the practice for other UN agencies. The technical staff posts of the Regional and Sub-regional Office should be almost entirely placed in technical groups based on airline hubs covering the neediest countries (the technical groups will require transfer of resources from the other regional offices covering the CIS, in addition to the European office). The remaining transition states in Europe, including those in the Balkans, should be covered by the establishment of a task force of technical officers in headquarters;

d)   for central America and the Spanish and French- speaking Caribbean, a technical group supported by a regional experts as well as staff should be considered, preferably sited in central America. The possibility for such services to be co-located with IICA should not be excluded; and

e)   for the small island states see detailed suggestions for improvement immediately above.

6.6 Communication Strategy and the Information Officers in the Regions and in the Liaison Offices

216.   There are information officers in each of the Regional Offices and an information function in the Liaison Offices, with an information officer in Washington and a consultant in

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[23] Including policy assistance, there are currently 40 technical and policy professional posts in the Regional and Subregional Offices in Africa, excluding fisheries and forestry. Some 24 posts could thus be distributed between the four suggested technical groups based on the hubs giving an average of six staff in each technical group.

Tokyo. The information officers in Africa and in Europe are outposted in Nairobi and Paris, respectively. There is a problem that not all the information officer posts are filled by information professionals and the concerned staff may be used for other functions like organizing publications and office information.

217.   The **evaluation concluded** that the importance of the information function in communicating FAO's messages and ensuring the visibility, and thus support for the Organization's objectives, has been underestimated in some regions. A lot of issues are local and the response is much better understood locally than in Rome but there is also a need for coordinated and informed presentation of corporate messages and releases. There is, therefore, a need for differentiated lines of reporting which are well-coordinated, but office-specific. Also:

a)   The actual location of officers is an issue of how best to reach the regional and global media and in this context, locations in Nairobi and Bangkok are particularly appropriate. In Europe, London and Paris could be valuable points of entrée for the international media;

b)   The regional representative, senior staff and directors of Liaison Offices need to be fully utilised as spokespersons, a function to which they can bring a depth which cannot be achieved by the information officers. LOWA, for example, functions well with the director maintaining very close contact with GII in Rome and being the main spokesperson;

c)   The particular needs of countries have to be recognised in website development, including those of Japan and China, where nationals find it difficult to use the FAO website which cannot be accessed entirely in their national script. Also access to national sites is sometimes easier than to international.

7 THE ROLE, RELEVANCE AND COVERAGE OF THE LIAISON OFFICES

218.   Two Liaison Offices work primarily with the UN system (Geneva and New York). These report to the Special Adviser to the Director-General through the Unit for Relations with the UN System. Three deal with groups of countries and report to the Director-General through OCD (Washington for the US and Canada; Tokyo for Japan and Brussels for Belgium and the EU). The offices in Brussels and Tokyo were established with the 1994-95 decentralization.

7.1 The Country Liaison Offices (LOBR, LOJA and LOWA)

219.   The evaluation found strong support for the Liaison Offices from national governments, non-governmental partners and the European Commission. The offices are fully justified, covering the countries who make the largest contributions to FAO's budget, and are among the world's, largest agricultural producers, as well as importers and exporters. No criticisms at all were heard of the Liaison Office in Washington, although advantages as seen from the point of view of Canada may be more limited. In the case of Japan, there was more criticism of the performance of the office. As the second largest contributor to FAO's Regular Budget and a major trust fund contributor, Japan feels the office is under-resourced. There is felt to be a need to promote FAO much more actively, including with the general public through greater coverage in Japanese. The Brussels (LOBR) office has been making slow progress and the level of interest in it by the European Commission and other European institutions is relatively low but they firmly support a need for the office. Work by the office has contributed to FAO being among the first of the UN organizations to conclude a strategic partnership agreement with the Commission.

220.   The evaluation noted that the Washington office is active in drawing attention to US agricultural and trade policy changes and to media coverage that may have implications for FAO and its member countries. This has also been done to some extent in Japan for instance on food safety, but in Brussels, the FAO interaction with the Commission on the CAP and European agricultural and trade issues, seems to be minimal, with the focus on aid and EU policy towards FAO. In Japan, there has been much emphasis on TeleFood, for which there is now some decline in interest by the Japanese supporters.

221.   Potentially valuable technical cooperation work is being carried out by LOBR with the ACP countries. This has concentrated on promoting greater inclusion of agriculture in the EU funding to the ACP. The evaluation team considers that technical support to ACP and other developing countries making trade and other agreements with the EU should be expanded. The evaluation believes agreements on trade with the main trading blocks (EU, NAFTA, etc.) are as important for developing countries as WTO agreements. FAO has a legitimate role to play in transparently making available to many developing countries, information which helps them to understand the implications and trade-offs within such agreements. This is certainly as, if not more, important to developing countries than FAO influence on development assistance. Support for trade work in Brussels could come from LOGE (see below). A focal point within FAO for the ACP-Cotonou agreement should be clearly designated and ideally should be the post working on the ACP in LOBR.

7.2 The Liaison Offices in Geneva (LOGE) and New York (LONY)

222.   Both the Liaison Offices are performing very valuable functions and have established good links with the United Nations partners.

223.   The various UN partners in New York were found to value the contribution of the office (LONY). Increased focus has been given to World Food Day. LONY is specifically providing information to delegations of member countries which are not represented in Rome. The NGO community is also an important target.

224.   In Geneva, LOGE performs an important technical support role for countries in the WTO. The office was praised by developing country delegations to WTO and their organizations as providing valuable advisory and analytical support. For agricultural trade, FAO was regarded by those interviewed as much more useful than the UN trade organizations in Geneva, although LOGE itself felt that countries might turn to such organizations, rather than FAO, because of the number of personnel available. The office was concerned that they could not always get an adequate response from Rome on ad-hoc requests for briefs, etc. and were forced back on doing it themselves without the time or facilities. An issue is that the whole success of this highly-valued work hangs on one very capable staff member. The **evaluation concludes** that to ensure continuity and the availability of enough staff on the spot at peak periods, as well as to develop possible joint work with UNCTAD, 1-2 staff from the Commodities and Trade Division (ESC) should be outposted to Geneva, where they would continue to do analytical work linked to Rome as well as carrying out on-demand work to assist the developing countries in analysing issues and liaison work as required. In view of the ease of the links, it is felt that this group could also provide support to developing countries on trade issues in Brussels in close liaison with LOBR.

225.   In both New York and Geneva, an important activity has been liaison humanitarian assistance and a former staff member of the Emergency Operations and Rehabilitation Division of FAO (TCE) serves on the staff of LONY in New York. Geneva is the world centre for coordination of response and policy development on humanitarian issues and the main donors maintain staff in Geneva for coordination of humanitarian response. Much decision-making relating to funding allocations for humanitarian assistance is thus significantly influenced by discussions taking place in Geneva. **The evaluation concluded** that FAO would gain visibility in the humanitarian community and fund raising would be facilitated with a strengthened presence in Geneva, possibly through the outposting of an officer from TCE to LOGE.

7.3 Strengthening the Functioning of the Liaison Offices

226.   The evaluation identified a number of areas for strengthening in the Liaison Offices, some of which are generic. Now the offices have matured, their functions should be reviewed and rolling 2-3 year strategies should be developed with clear sets of goals, specific to the situation of the countries and institutions they serve. This could be supported by annual work-planning with outcome goals against which performance can be assessed, as is the case for LONY. Also:

a)   All the offices have critical donor liaison roles. An officer from the Field Programme Development Service (TCAP) was posted temporarily for about two years in Brussels, but in Tokyo (LOJA) there were complaints of delays and lack of information from Rome. As Japan has not decentralised its decision-making for its bilateral or multilateral programmes, there would be justification for strengthening the donor liaison role of LOJA. In Brussels, the office could contribute usefully to dialogue with the Commission on emergency assistance as well as its current interface on development and normative programmes. The institutional link and roles of the Liaison Offices and the Field Programme Development Service (TCAP) need to be strengthened, with possibly some delegation of functions from Rome to the Liaison Offices (TCAP and TCE);

b)   The technical cooperation roles of LOGE and LOBR should be specifically recognised and included under Chapter 2 of the FAO budget;

c)   In Washington, most of the staff have served elsewhere for FAO, but this is not the case for the majority of the staff in other offices and for none of them in Tokyo. **The exposure of Liaison Office staff to FAO thus needs to be increased with travel to Rome and to countries/regions of interest**. More use of FAO retirees in the offices could also help, and staff rotation is important and has become a critical need in Brussels. Another important issue is the capacity of an officer to substitute for the director in his or her absence (in most of the offices there is a capable substitute, but not all); and

d)   Issues of information officers and the media relations functions have been discussed above, but a related factor is the support the offices receive in their advocacy. The Director-General has played a much appreciated role in this but several of the offices, and in particular LOJA, feel more visits by FAO senior staff could be used to publicise the Organization and make the office itself more aware of FAO.

227.   **Resourcing of the offices** is adequate overall, but there is inadequate non-staff funding to undertake ad-hoc work which can improve FAO visibility and partnering. Resources for the Japan office need to be increased with a full media officer and more resources for assisting in documentation in Japanese and website development and maintenance.

8 HUMAN RESOURCES AND THEIR MANAGEMENT

8.1 Ensuring Essential Competencies and Profile of Personnel

8.1.1 General approach

228.   FAO's capability to deliver services to members through its decentralized structures is very much dependent upon the match achieved between staff profiles and capabilities and needs. The evaluation found many very good staff in Regional Offices at all levels and excellent FAORs in terms of the required competencies and overall quality. The discussion below concentrates on the extension of excellence to all aspects of FAO's decentralized work and is not intended in any way to suggest that there is not considerable existing excellence.

229.   The evaluation assessed the competences and performance of FAORs and national staff in the FAO offices. In addition to the views formed by the evaluation team in extensive discussions at each of the offices visited, these were assessed as follows:
- assessments by informed FAO staff of competencies and performance with respect to policy and strategy, field programme development and operations management;
- overall assessments of satisfaction with the work of these offices by national ministries of agriculture in their responses to questionnaires;
- bench-marking of FAO against the representations of other specialised agencies, in questioning by the evaluation team of those government departments such as planning with an overview of agencies active in the country, and also checking with the UN Resident Coordinator and other development agencies outside the UN system; and in addition
- FAORs were asked to assess the competence/performance of national staff.

8.1.2 FAO Representatives

230.   The evaluation consulted a cross-section of FAO staff knowledgeable on FAO Representations for their considered assessment of specific competencies and performance of FAOR international and national staff. The majority of FAORs were assessed as meeting a satisfactory standard but 30 percent or more were defined as not meeting the desired level. In the case of policy matters, this was 38 percent. FAORs in Asia scored lowest overall and 50 percent or more were scored low on field programme development and policy. Latin America was also disappointingly low in these two areas. In the Near East, rating was generally poorer on operational matters but higher on policy and on field programme development.

231.   Ministries of agriculture were more satisfied overall and only 23 percent stated that FAORs were less than good. They may have been reluctant to criticise in a questionnaire which was often transmitted to the evaluation team, through the FAOR.

232.   Thirty-four percent of FAORs reported in response to questionnaires that they had been FAORs for two years or less and a further 14 percent had served for 3-4 years. Fifty-six percent of FAORs had never worked in FAO headquarters or a Regional Office, which diminished their immediate knowledge of the Organization. It was also found that FAORs who were at the end of their career, could have reduced motivation. Some 34 percent of FAORs had specialised technical backgrounds and four percent were former administrators. Although very possibly highly-experienced in their fields, they lacked the broad overview possessed by the remaining 60 percent of FAORs. The evaluation team notes that no rigid formula can provide the ideal selection criteria and two of the best FAORs it met had not worked for FAO in headquarters or in the regions. They had however, both been a substantial time with FAO and had both made a great deal of effort to get to know the Organization. Careful assessment of competencies as well as performance is thus essential.

233.   The evaluation team found in its bench-marking against other agencies that the competence of the majority of FAORs was appreciated by commentators in finance and planning ministries, UN Resident Coordinators, and donors. However, with a few very significant exceptions, their competencies and performance were not generally judged as being better than other specialised agency representatives, and in a significant number of cases were considered worse. It was overall strategy and policy capability which was commented upon as the greatest weakness, but it was also often noted in mitigation that the FAORs were limited in developing their roles by the lack of decentralization of authority.

234.   The evaluation team further noted that the FAOR is unique in often being the only international professional officer in a country, with far greater consequence when competencies and performance are not in place, than is the case for a headquarters or regional office situation.

8.1.3 National staff in FAORs

235.   Ministries of agriculture assessed 75 percent of national staff as good. FAORs who also had a problem of confidentiality in transmitting their assessments on this issue, reported that the quality of national programme staff was a significant problem in 18 percent of cases and was a major problem in a further 11 percent of cases. The worst problem was reported in the Near East. For support staff a significant problem was reported in 16 percent of cases and in a further 13 percent the problem was reported as major. The least incidence of problems was in Latin America. Informed FAO staff rated the senior national programme staff poorly on policy and strategy work and 55 percent as not meeting the required standards on field programme development. The lowest overall assessment of national staff competency/performance by FAO staff were for Africa, and for policy and strategy the weakest situation was found in the Near East. The picture which emerges from this and the evaluation team visits is that national staff are unlikely to be able to offset any weaknesses in the FAO Representative in the areas of policy and strategy or generally in field programme development but there can be reasonable national competence in the FAOR offices for operational management.

236.   The **evaluation concluded** that FAO needs to raise the calibre of national staff, particularly professional and programme staff. The team found during its country visits that the contrast between the calibre of FAO national staff and those of other UN agencies (particularly UNDP) and the IFIs was unfortunately quite striking. The evaluation team also heard many complaints from national staff who felt that they were second class citizens within the UN system. Although the evaluation team was unable to document all the reasons for this, they included, quite importantly the level at which FAO recruits, with grades lower than in other agencies. FAO has four grades of national professional. Sixty-three percent are currently at the lowest grade, 24 percent in the second grade and only four percent in the top grade. The only real divergence between regions in this picture is that of the Near East where more staff are in the higher graded categories.

237.   A question arose as to whether the FAO staff requirements were for lower graded staff with more limited competencies than other agencies, especially in view of the budgetary constraints. The evaluation team concluded that this was not the case. In the programme, policy and administrative areas FAO staff are required to deal with work which is quite as complex as other agencies and to handle the FAO work in the country in periods of absence or vacancy of the FAOR.

238.   Promotion possibilities were also a cause for complaint, although the evaluation team concluded that FAO has no solution to this, except facilitating consideration of staff of good calibre for posts in other organizations in their country to which they might aspire, including posts in the UN system. WHO is introducing career enrichment assignments for national professional staff, whereby they will have the opportunity to work in another country for up to six months. Training can also help in demonstrating that staff are valued and the evaluation noted that other agencies also provide greater possibilities for attendance at inter-country seminars, etc. These problems cannot be corrected by simply raising grades as many of the staff would be promoted with no increase in their calibre. Grades should be raised as vacancies occur, following re-examination of job descriptions.

8.1.4 Regional technical staff

239.   The evaluation was informed that, at the time of the decentralization that in order to place them, staff were moved into posts in the regions, when there was not always an exact fit. Headquarters divisions freely admit that in 1994-95, and in some cases also today, they chose to transfer weaker staff to the regions. The Policy Assistance Branches were a special case because generalist programme staff were transferred, as well as policy specialists. It does appear that staff are now being recruited more stringently. However, there is still a problem of the degree of specialisation of regional staff, rather than them having more general expertise within their sector. The grade structure for technical staff in the regions is also somewhat lower than for headquarters and this reduces the seniority at which specialists can be recruited and the extent to which the staff can supply value added to the national expertise in government.

8.1.5 Definition of staff competency requirements

240.   There is now a project underway in FAO for developing staff competency requirements, beginning with headquarters managers. This project is subject to resource constraints and currently comes to an end in October this year but is hoped to be extended to decentralized offices. In the view of the evaluation, this should be with a particular priority for FAORs. The UN funds and programmes and among the specialised agencies WHO and UNIDO have defined specific core competencies for their country representatives. ILO applies its general managerial competency requirements to country representatives. Annex 3 provides the thoughts of the evaluation team on profiles of work to be carried out by FAORs, regional and sub-regional representatives and technical officers in the regions, with the related competencies.

8.1.6 Selection for FAORs and senior posts in Regional Offices

241.   Senior management has strengthened the interview and selection process and this is welcomed. The evaluation team was informed that a set of criteria based on competencies are applied in the FAOR selection process. In 2003 FAO placed a generic vacancy announcement for FAORs on the Web and since July this year, FAO resumed advertising of FAOR posts. For Resident Representatives, who as Resident Coordinators are also representatives of the UN Secretary-General, UNDP applies an in-depth and open selection procedure managed by a private centre, but this is clearly expensive. WFP, UNICEF and UNFPA also report they apply this general type of procedure for selection of representatives. UNIDO and ILO appoint professional staff in all the decentralized offices through open advertisement and selection procedures.

242.   However, **the evaluation found** that FAO selection procedures for FAORs and for senior regional staff have not been fully open and competitive. This reduces the extent to which recruitment and transfer systematically match staff selection criteria against competencies and other selection criteria such as gender and geographical distribution. The previous lack of advertisement for a pool of candidates also reduced the number of competing candidates from which the Organization could make its selection.

8.1.7 Staff assessment

243.   The information base for assessment of FAOR's performance has been strengthened with judgement sought from various sources, and a tightening of criteria. The evaluation was informed that the performance of FAORs was now reviewed in consultation with all concerned units at least once every two years. However, the team concluded that assessment criteria based on performance have not been adequately developed, or meaningfully applied, for any category of decentralized staff. The evaluation was informed that in FAO as a whole the staff associations had resisted staff assessment and although staff assessment procedures are in place they are not generally made much use of or taken very seriously. Encouragingly, the majority of FAO Representatives (66%) responded to the questionnaire that they would prefer a performance assessment system where they were assessed against outcome targets and actual achievements. The UN funds and programmes and ILO, UNIDO and WHO, all have formalised staff assessment systems. The UNDP system links staff assessment into its results-based management system.

8.1.8 Competencies and Performance - general conclusion

244.   The evaluation team concluded that there are many decentralized staff in all categories who do not meet required competencies or whose performance was inadequate. This was drawn to the attention of the evaluation team through the comments of government officials, other members of the international community and staff in FAO, as well as by the limited observations the evaluation team could make itself in discussion with decentralized staff and with necessarily cursory reviews of their work. Where staff without the necessary competencies or motivation for performance are in managerial positions, this reduces the effectiveness of subordinate staff, as well as undermining morale. Weak staff affects not only the image of the Organization but also, of course, the relevance, quality and quantity of its output and services. The problem has been significant in reducing the effectiveness of the 1994-95 decentralization. The success of recommendations in this report for strengthened decentralization does require the question of competencies and performance to be seriously addressed, including the inter-related issues of staff selection, performance monitoring and assessment, training, etc.

> **Recommendation 17** (implementation by 2007): It is recommended that:
>
> a)   the ongoing project to develop competency requirements should be extended to all decentralized posts and should be specific to each position, i.e. not all FAOR or technical officer posts will be uniform in this respect. Priority in defining competencies should go to senior regional posts, FAORs and national programme staff[24];
>
> b)   open and competitive procedures should be put in place for selection to all regional and FAOR posts, including senior posts, to optimise the Director-General's basis for selection. This implies open advertisement, competency assessment and balanced selection panels (competency assessment testing has also been found useful in many organizations). Competencies should recognise the value of knowledge of FAO as well as the region to be served; and
>
> c)   FAO should put in place a staff performance appraisal system which relates performance to required competencies for the category of post and to delivery against workplans. FAORs should be assessed firstly by the regional representative but the assessment should include a cross-section of views from all staff working with them and desirably the UN Resident Coordinator. Technical officers' assessment would be undertaken by both the regional representative and the main technical units working with the officer. Such a system should be professionally designed; once in place, its results should be institutionalised in transfer, rotation, training, selection and, where necessary, disciplinary action or termination.

8.2 Other Supporting Human Resource Measures

8.2.1 Staff rotation and career opportunities

245.   FAO does not have a rotation system between headquarters and the regions. Forty percent of senior technical staff in headquarters felt this to be a major problem, as did many regional technical officers (from 48 percent in Latin America to 80 percent in the Near East and Europe) and 55 percent of FAORs. Similar views were held on the lack of career opportunities, which was perceived as a major problem by regional technical staff (57 percent in Latin America and in Africa, 67 percent in the Near East and 71 percent in Europe).

246.   The evaluation team warns against a simplistic view of these issues. Among the UN funds and programmes such as UNDP and WFP, rotation is now the norm but their posts are more homogeneous than those in the specialised agencies. In UNESCO, service in the field is considered as a positive factor in promotion policy, especially to P5 level. WHO is now putting in place a strengthened mobility policy. The specialised nature of technical work in headquarters, as compared with the equally senior discipline-wide expertise required in the regional technical teams, reduces but does not eliminate the possibility for institutionalised rotation between headquarters and the regions. Many staff also do not wish to move from their home region but should be encouraged to do so in order to gain wider experience. Certain posts should be designated in the technical divisions to be filled through rotation. There are also many posts in administration and in the Technical Cooperation Department which could be subject to systematic rotation, including for FAORs. This would not only broaden staff knowledge but also help to overcome a headquarters and field (them and us) mentality.

8.2.2 Training and interchange between staff

247.   It is very important that decentralized staff at all levels are made to feel a part of FAO. The evaluation found that this was not always the case. Interchange with staff from other offices is very important and FAORs found this lack of interchange a major problem. FAORs senior

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[24] In its 2002 report, the JIU stated "The Director-General should develop a standard description of the competencies, skills and experience required of FAO Representatives."

national staff and regional staff all need to visit headquarters regularly for briefing and getting to know people. FAORs and senior nationals also need to visit Regional Offices. Meetings for interchange between FAORs are important.

248.   Provisions for training are limited in decentralized offices. The role of training as a motivational tool as well as in raising competencies should not be underestimated. However, training should not be regarded as a panacea in producing competencies, or overcoming poor performance, where the necessary latent potential is clearly lacking.

249.   The evaluation team considers that there is no substitute for face-to-face contact in getting to know people, discuss issues, acquire information and a sense of belonging and unified purpose. Other contacts by telephone, Email and video conference then become more productive (for FAORs video conferencing is not usually an option at present, although possibilities are rapidly increasing). The evaluation team did systematically question UN specialised agencies on policy and practice for decentralized staff briefing, interchange and training. It was clear that other agencies devote a greater proportion of resources to this than FAO, although figures were not available.

8.2.3 Travel by national staff

250.   A particular issue for the efficient use of national professional and programme staff in FAORs with multiple accreditation is the restriction that national staff cannot normally work outside their own country. This could become more important if technical groups on hubs are introduced. The basis for this requires re-examination. It is not the practice in other specialised agencies where national staff do carry out functions beyond their home country. It is also not a UN system wide rule and can be adjusted within FAO's own rules, with the agreement of the Council.

8.2.4 Gender balance

251.   The evaluation team also observed that problems of gender balance were greater among regional professional staff than is the case in headquarters. Progress has been made since 1994 especially in increasing the proportion of female FAORs. It is strongly recommended that this issue be further addressed in the recruitment and rotation of staff.

Table 9: Internationally Recruited Female Professional and Director Level staff (May 1994) in:		
Headquarters – 31%	Regional and Sub-regional Offices - 17%	International professional staff in FAO Representations – 18%

8.2.5 Flexibly adjusting staffing in line with requirements

252.   The Organization finds itself without the flexibility to adjust its staffing profile to the changing requirements of member countries. If FAO's response is to increase its relevance through the decentralized structures, it needs to be able to change the geographic posting and skill mix of staff, more easily than has been the case in the past.

253.   The evaluation team reviewed the practice of other agencies in the UN system and has been provided background on the legal situation with regard to the termination of staff. The team was also told by FAO that the willingness of management to address problems of non-performing FAORs has increased. However, it was **concluded** that FAO is applying a policy which is more cautious than several other organizations, in its willingness to separate staff who do not meet the requirements of available posts, but there are major legal impediments. In UNDP, staff termination has normally been on the basis of a year's salary. The cost is preferable (in the view

of the UNDP human resources managers consulted) to keeping staff who cannot meet competency requirements, regardless of the reason why they cannot fulfil the needs[25].

8.2.6 Recommendations for other supporting human resource measures

Recommendation 18 (for implementation by 2008): It is recommended that:
a)   FAO should develop a rotation policy which provides the possibility for technical and administrative professionals in the regions to rotate through headquarters and, where appropriate, also to other regions of the world;
b)   Regional experience should be positively taken into account in selection for more senior posts at headquarters;
c)   Training for decentralized staff should be given close attention, including informal training through attendance at seminars and visits to headquarters units and other countries and regions;
d)   FAO rules limiting the travel of national professional and programme staff should be adjusted to permit them to work in other countries served from their office;
e)   Greater attention should be given to assuring gender balance in recruiting to decentralized office posts; and
f)   FAO should review its own rules, with a view to achieving greater flexibility in decentralized office staffing, particularly that of the Regional and Subregional Offices, to allow technical support to be adjusted in line with needs. FAO should also pursue at common system level the changes necessary to overcome the major barriers posed by the UN common system to this. Pending progress in these areas, the opportunities to transfer or, where necessary, terminate staff on the basis of appraisal should be rigorously applied at the end of probationary periods and at the end of contracts.

9 OPERATIONAL, MANAGERIAL AND ORGANIZATIONAL ISSUES

254.   Member countries and development partners welcomed the decentralization of operational activities for the Field Programme to FAORs. They also welcomed the increased flexibility provided to FAORs by such instruments as the TCP facility which can be used by FAORs for small consultancies, etc.

255.   Nevertheless, the perception of partners, stated strongly to the evaluation team, is that they feel FAO is one of the least decentralized agencies in terms of decision-making on country activities. They believe this limits the capacity of FAORs, to contribute in the UN country team and work flexibly with government and development partners. This has negative implications for FAO's influence and Field Programme in pursuing its goals in reducing hunger, economic growth and sustainable resource use.

256.   At the same time, the evaluation team has been told that FAORs do not always apply the authority levels they have, preferring to refer to headquarters or to the Regional Office. To the extent that this is true, it is a problem of organizational culture and staff briefing. FAO should make it clear to all that recognition will go to those who exercise the authorities they have, not to those who avoid them.

9.1 Authorities at country level for field programme development, use of TCP and project approval

257.   Responses to questionnaires confirmed by the evaluation team visits found that virtually all developing member countries and development partners feel FAO Representatives have too little authority to discuss with donors, finalise projects with donors and to approve TCP. This

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[25] The evaluation team was informed that in UNDP two staff had appealed to the UN Administrative Tribunal but this was a price that they were prepared to pay.

diminishes their standing as partners of the government and the international community. Their authority in this regard is far less than that of the UN funds and programmes.

9.1.1 The FAO Technical Cooperation Programme (TCP)

258.   Twenty-seven percent of FAORs identified as a major problem the limits on the flexibility of use of TCP funds (including the internal guidelines on TCDC, proportion of budget to equipment purchase, etc). A further 53 percent of FAORs find it a problem. The view is shared by regional technical officers (with 67 percent finding it a problem). Twenty-five percent of FAORs also felt that it was a major problem that they could not approve TCPs and a further 52 percent felt it to be a problem. FAORs were highly appreciative of the TCP facility which enables them to purchase consultancy services up to US$ 10,000[26]. Two thirds of FAORs have used the facility at least once, but they complained that this is not the flexible instrument it could be, because of limitations on its use, the small amount of money, the requirement for governments to formally agree to it and the clearances in Rome. Thus, only half the facility has been used up until now. The evaluation team was however, informed that it was being reviewed with a view to making it more flexible.

259.   Headquarters staff reported, and the evaluation found, that technical clearance of projects, through lead technical units, including even small TCP projects, could become an excessive burden for technical officers and a source of delays (40 percent of senior headquarters technical staff reported this). Clearance was also found to have a tendency to push projects into the technical boxes of the headquarters units concerned. On the other hand, efforts to accommodate different technical units could lead to pressure for an excessive number of distinct disciplines to be included in a project. The same procedures are applied for all individual projects (small and large), with each undergoing technical, operational and financial clearance followed by review in the Programme and Project Review Committee (PPRC).

260.   At country level, the evaluation found that use of TCP resources was focused to varying degrees, but sometimes prioritisation appeared to be absent and there could even be a desire to spread their use across different ministry offices.

261.   **The evaluation concluded** that although delays have been a problem, TCP is important in providing a prompt response to governments. Other specialised UN agencies do not generally have a comparable facility on the scale and flexibility of TCP to respond to individual requests. It could, however, be used much more strategically and effectively by FAORs in the context of decentralization to:
a)   partner and leverage funds from donors;
b)   provide ad-hoc technical support by FAO technical staff and consultants to the FAOR in carrying out the roles of policy support, field programme development, and partnership in the international community, as well as to advocate FAO's messages; and
c)   provide TCP for pre-funding of project formulation etc (and also make a renewed effort to get donors to agree to various mechanisms to permit advance funding).

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[26] This currently stands at about US$ 1.5 million per biennium. The former FAOR facility for small consultancies is being discontinued.

Recommendation 19 (for early implementation): In order to provide FAORs with greater authority, standing and opportunity with government and the international community: - putting them much more on a par with their colleagues from the UN Funds and Programmes (who as well as disposing of greater resources, also have considerably greater authority to commit those resources):

Facilitate more flexible use of TCP for technical support from FAO. Countries should be provided annually with an indicative TCP funding figure. FAORs should be authorised to agree projects of a certain maximum size (e.g. US$ 100,000) up to a maximum proportion of the indicative TCP funding figure (e.g. half) provided that they fall <u>clearly within the agreed country priority framework</u>. Such projects would be subject to normal technical consultation but would not require formal clearance. The adherence of FAORs to the rules and spirit of this authority should be closely monitored.

9.1.2 FAOR authorities and Field Programme development

262.   The evaluation was informed that FAORs had been clearly advised that the lead role for field programme development at country level now lies with them. Most FAORs reported, however, that they perceived the limits on their authorities to negotiate with donors as a problem. A particular frustration was that they could not accept from the decentralized donors, relatively small amounts of money to pay for consultants, enter into project preparation, etc. Many reported to the evaluation team what they considered to have been lost opportunities in this way[27]. They also felt that FAO had lost standing in the international community.

Recommendation 20 (for early implementation): The evaluation recommends that for activities falling clearly <u>within the agreed national priority framework</u> recommended above (Recommendation 19), or to address <u>an agreed emergency</u>:
a)   the FAOR should be authorised to agree and accept project funding from donors up to an agreed maximum per project (e.g. US$ 100,000), using a pro-forma standard memorandum of understanding (drawn up by FAO with the involvement of all pertinent units); and
b)   although informal technical consultation is always desirable, technical clearance procedures should be proportionate to the size of the project. In order to prevent excessive delays, for <u>those projects of a size or complexity</u> to justify formal technical clearance in the Regional Office or headquarters, a maximum turn around time needs to be introduced (in line with the instructions on this given by the Director-General). If such time limits are exceeded, the FAOR should be able to proceed. For projects which meet the criteria of the national priority framework and which are not of a size or complexity to justify formalised technical clearance, the FAOR should be able to proceed but should be expected to undertake working level technical consultation.

9.2 Administration and Management Support

9.2.1 Differentiating levels of authority for FAORs

263.   The capacity of an FAOR to exercise greater decision-making authority is a function of a number of factors, which need to be distinguished and also considered separately for: i) their authority levels with respect to programme development and approval; and ii) their authority levels with respect to financial and administrative actions. In the case of programme development and approval, the authority level is a function of the capacity of the FAOR, the supporting

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[27] There have been exceptions to this for emergencies where FAORs have been permitted to receive funds in the range of US$ 50,000 directly.

national programme staff, and the quality, quantity and timeliness of technical support. Administrative and financial authorities are also dependent upon the capacities of the FAORs and of the national staff, but include also the availability of communications and infrastructure support.

Recommendation 21 (for early implementation): With priority to countries with large exiting programmes or potentials for growth, FAORs as individuals and their staff and systems should be assessed for capacity, differentiated on the basis of the staff and infrastructure capacities and their authority levels determined accordingly. At the same time, assessment will identify weaknesses which can be addressed through training and infrastructure improvements. Where the requirements of the country require a higher authority level than existing capacity, this assessment should trigger the necessary measures to raise that capacity.

9.2.2 Issues in increasing administrative efficiency and responsiveness

264.   In member countries and among important development partners, including the donors, there is a conviction that FAO's authorities and procedures are overly slow, bureaucratic and centralised. Virtually all member countries stated in their responses to questionnaires that more authority should be given to FAO Representatives for purchasing and contracting. In the decentralized offices, there is a very high degree of frustration with authorities and procedures which is often shared by headquarters technical and field programme units. The great majority of FAORs responded to questionnaires that the limits on their authorities in the administrative areas are a problem and over 20 percent felt that they are a major problem with respect to purchasing, contracting, making payments and recruiting nationals. Sixty-one percent of FAORs said they would be prepared, if they were granted greater authority, to accept a change in their contract which would make it easier for FAO to take disciplinary action in the case of misjudgement or abuse of authorities. Only seven percent said that they would not be prepared to accept such a change.

265.   Comparison of actual levels of delegation with other agencies reveals that the UN funds and programmes give much higher levels of authority. In WFP, country authority for emergency food purchases is US$ 200,000 for example. The comparison with other specialised agencies shows that authorities at country level for contracting and purchasing are comparable with FAO, as are those for temporary contracting. Authorities in Regional Offices are much higher for WHO and higher for ILO. ILO country offices can authorise international travel. However, it did appear in general from discussions by the mission at country level that there was often more flexibility and rapidity of approval in other UN specialised agencies. This has been subjected to almost continuous internal study for improvements in FAO **but it is also an area in which there is considerable scope for improvement.**

266.   There is at the same time general acknowledgement that FAO is operating with public money and cannot function with the same flexibility on risk of abuse which prevails in the private sector. It also has to be accepted that there are virtues in specialisation for execution of certain functions and that capacity to carry out administrative actions in decentralized locations can be constrained by staff capacities and support systems.

267.   The **evaluation team concluded** that although FAO is slow and bureaucratic in its managerial, administrative and financial decision-making, it may not necessarily be particularly worse than the other specialised agencies. If, however, it is going to respond adequately to members' needs, FAO must move more in the direction of the UN funds and programmes, against which governments and donors judge the Organization (however unfair this comparison is). A better understanding of the nature of risk and the implications for impact and cost-efficiency of control measures is important in FAO including in the Governing Bodies. The underlying reasons

why FAO has not made more progress in removing administrative constraints lie in an organizational culture which:

a)   relies on processing all input transactions, large or small, with much the same procedures and without adequate attention to the relative transaction costs in proportion to the size of the expenditure;

b)   does not take adequate account of the relative risks involved, at the level of transactions, offices or programmes;

c)   is oriented towards management through controlling each input transaction ex-ante by several people in the decentralized offices and in Rome, rather than vesting authority in individuals with the necessary segregation of responsibilities who are then held responsible;

d)   similarly, concentration is on individual ex-ante transaction control and monitoring, rather than strategic management and support systems, be it of budgets, project delivery, contracting temporary staff or purchasing;

e)   has insufficient standardisation of procedures and clarity on procedures, with different regional MSUs in effect applying different rules; and

f)   has inadequate knowledge in the administrative divisions in Rome of the situation on the ground where systems must function.

268.   There have been considerable improvements in information materials available to decentralized staff on the conduct of administrative actions and the project operations manual is now on line, but there is still a major problem of lack of user-friendly manuals. Computer support systems have also been continuously improved, but much remains to be done in these areas.

269.   The evaluation commissioned a background paper on administrative streamlining which is being made available to management. Most of the proposals considered were based on those arrived at in FAO's own internal study of possibilities for improvement in field programme implementation in Asia and the Pacific, but the study was broadened and feasibility discussed with the MSUs in each of the regions. Performance levels and capacity were also reviewed for each MSU. Some of the changes proposed by the team are already under active consideration by FAO. The evaluation team considers that implementation would provide a boost in the responsiveness of FAO and to the confidence of FAORs, as well as resulting in significant savings which could be utilised to strengthen the key areas of administrative training, information on procedures and user-friendly support systems in the decentralization. The recommendations would also eliminate duplicative work.

> **Recommendation 22** (for phased implementation by 2007): For administrative improvements, the evaluation team particularly emphasises consideration of:
> a)   a significant increase in the authorities granted to FAORs, Regional and Subregional Offices for: i) letters of agreement; ii) purchasing, including removal of the requirement for centrally processed purchase orders for transactions completed outside the country (a practice eliminated in all other major UN agencies many years ago); and iii) national professional and GS staff recruitment and extension. The evaluation team further recommends that, when the limits are raised, the limits should be inflation-linked to eliminate the necessity to negotiate increases every few years;
> b)   the transfer of personnel servicing relating to FAOR offices from OCD to regional MSUs, except for appointment and transfer of the FAORs (it should be noted in this context that all country staff on extra-budgetary resources are serviced from the regional MSUs and FAORs thus deal with two centres);
> c)   delegation of travel functions at HQ to the FAORs and Regional Offices with Regional Offices taking responsibility for the personal travel of FAORs and simplification of all travel expense claim procedures in line with WHO practice;
> d)   transfer of imprest account validation and support functions from headquarters to the Regional Offices;
> e)   the regional auditors assuming responsibility for the supervision of local FAOR audits, (this would require an additional national post each and travel money but there would be savings in AFF); and
> f)   transfer of regional inventory management to the Regional Offices.

270.   Making regional auditors responsible for local contract auditors of FAORs would have a number of advantages. At the moment regional auditors have little travel money and are largely restricted to working in the Regional Offices. The local auditors' terms of reference in auditing FAORs are apparently being broadened and they could become the front-line of a strengthened risk management and control regime, accompanying the greater decentralization of authority. At the same time, with an increase in travel funds to the regional auditors, the effectiveness would be enhanced of both the local auditors and the regional auditors.

271.   For all the above points, the evaluation believes that there is the opportunity to make fuller use of the capacities in the regional MSUs to enhance cost-effectiveness, without opening potential for major increases in risk and lowering of standards.

272.   An important related issue is that of planning budget holding and budget management for the FAO Representations. This is currently handled by OCD on a global basis. The budget, in the case of the local office, consists mainly of the national staff and rent (where applicable), plus the international staff. **It is proposed** that the FAORs make their budget proposals to the Regional Representatives. Regional Representatives would then agree these with headquarters in the context of global budget planning for FAORs, with the final responsibility for allocation of FAOR budgets remaining in headquarters. FAOR expenditures would then be monitored and managed by the Regional Offices.

273.   It is now time to move to a system which relies more on individual responsibility, underpinned with the necessary controls, linked to the extent of risk and strategic monitoring of budgets and expenditures. Implementation of the recommendations and related measures with necessary increases in staffing at the regional levels would potentially improve the responsiveness of FAO and the confidence of FAORs and result at conservative estimates in savings of slightly over US$ 4 million per biennium once the change process is complete, of which US$ 1.9 million are from OCDS.

9.2.3 Management support units

274.   With the decentralization, management support units were established in each of the Regional Offices to provide transaction processing, control functions and authority levels for

transactions. Although there were some initial teething problems, this has in general worked well. The country offices greatly value the fact that the MSUs and the associated operations units and information technology support are available in the same time zone and are familiar with the individual country issues (at least to some extent). Speaking the same language is an added value in Latin America and the Near East. In all regions, FAORs in response to questionnaires said that administrative support had either improved since decentralization (44% overall) or remained the same (47%). The level of satisfaction was particularly high in the Near East. Speed of response was reported as better by a full 50 percent of FAORs and only worse by 11 percent. Recruitments and contracting and purchasing were the areas in which most FAORs reported no change. Although there was general agreement that OCDS supplied an adequate level of service, the evaluation found that in view of the above considerations, there was a demand from FAORs and their staff for the management support for the Regular Programme aspects of their work (currently handled by OCD in Rome) to be handled by the regional MSU. The exception to this picture has been Africa for a number of reasons, mainly poor voice and electronic connectivity to other African countries.

275.   FAORs and the Regional Offices themselves also feel that they could directly perform a number of operations which at present involve duplication in headquarters, such as for travel. They suggest that, in addition to raising the levels of authority in the FAORs, authority levels should also be raised in the Regional Offices.

9.2.4 Support for information technology in the FAORs and Regional Offices

276.   Major efforts have been made to upgrade telecommunications infrastructure, information technology and computer systems in FAORs and Regional Offices. The large majority of FAORs reported that both communication infrastructure and computer availability in their offices were either adequate or good. Access to financial information was found to have improved since decentralization by nearly half the FAORs, including in Africa. FAO communication infrastructure appears poor in contrast with that of the UN funds and programmes but not the other specialised agencies. This is a function of the greater investment the funds and programmes are in a position to afford and in the case of several of the agencies has a similar overhead cost per staff member to that of FAO. The **evaluation found** that emphasis on improving communications and IT needs to continue, and a major problem has been the lack of adequate accompanying training for staff.

277.   Until a satellite link was installed in 2002, the connectivity between Accra and Rome was poor. While this issue has now been addressed, voice telephone contact between Accra and most African countries remains a real problem. The **evaluation therefore proposes** an early study of the possibilities to offer FAORs in African countries, either the possibility to connect for voice telephone to Accra through FAO headquarters or by a calling card system through London and Paris (to which they have particularly good links).

278.   Each of the Regional Offices has an information technology (IT) officer. OCD also has one officer and assistant for IT. The evaluation found that, with the exception of Africa, the FAORs were referring to, and being given support by, the regional IT officers who were in the same time-zone, to some extent familiar with individual country conditions, and also in Latin America and the Near East spoke their language. IT support to FAORs should be transferred from OCD to the Regional Offices with the addition of a national staff member in each case. For Africa, this service may continue to be provided centrally from Rome, preferably from AFI.

9.3 Scope for Economies in Moving Headquarters Work Offshore

279.   The evaluation was not able to examine in depth the scope for cost-savings by moving headquarters administrative support functions to another location where costs are less (particularly of General Service staff). Under this concept, the functions and lines of command remain unchanged but costs are reduced. The Information Systems and Technology Division (AFI) is actively examining this possibility for some support functions. An illustration was suggested to

the evaluation team of the volume of savings which could be made, using the example of the Procurement Service: if all its current functions in purchasing and contracting were to be moved to Bangkok with no change in structure or functions, the saving would be US$ 2.9 million per biennium due largely to lower General Service costs.

9.4 Balancing the Costs and Savings in Implementing the Evaluation Recommendations

280.   The extent, detail and rate of implementation and follow-up to this evaluation's recommendations will be a matter for management and Governing Body decision. Calculation of alternative implementation scenarios would have required many pre-judgements on the part of the evaluation team and would probably also not be a productive use of resources. Detailed calculation of incremental cost can most productively be made as part of the internal planning process, following fundamental choices by management and the Governing Bodies. Some areas of cost are not fixed as the ideal level of investment may simply not be an option for an Organization with such resource constraints. Instead, management may choose to allocate amounts depending upon the extent of benefits that may be possible (eg. communication and information technology infrastructure and capacity-building). Others such as the establishment of technical groups located at key communication hubs would be influenced by the extent to which national governments assist in providing accommodation and other in-kind contributions. The summary provided in Figure 3 does, however, illustrate that a significant degree of change is likely to be possible within existing resources over the next two biennia, with tentative estimates of potential savings of the order of US$ 15 million per biennium be made available for possible redistribution to strengthen decentralization.

Figure 3: Balancing the Costs and Areas of Saving	
to Undertake Proposed Changes within an Unchanged Budget	
Areas of increased cost	**Areas of Saving**
Strengthening selected FAORs especially for multiple accreditation and reduction in vacancies; Improved technical services to countries especially: establishment and operation of technical groups on hubs, regional specialists on call, increased country travel; Strengthening integration and staff competencies and performance especially: meetings and face-to-face interaction, staff training, and staff rotation; Strengthening administrative support including: improvement of communication infrastructure, improvements in the field accounting system, and production of internal information materials.	Increased multiple accreditation with strengthened national arrangements (elimination of five international FAOR posts US$ 1.6 million); eliminating the majority (10) of the 16 FAOR international administrative officer posts and replacement with senior nationals (US$ 1.4 million); decrease in the total number of technical staff in the regions by 15-20% (US$ 6.4 million[28]); cost sharing on extra-budgetary for the 4-6 posts of FAOR/emergency coordinator (US$ 0.8 million); transfer of FAOR administrative support to the regional MSUs and other efficiency savings in the administrative servicing costs and servicing of TCP approval from headquarters; (savings of US$ 4-5 million per biennium); other minor savings from actions such as the saving of at least one D post in the European Regional Office. Total in the order of US$ 15 million per biennium.

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[28] Based on a 15% cut.

10 OVERALL CONCLUSIONS
STRENGTHENING AND DEEPENING ORGANIZATIONAL UNITY AND COHERENCE

281.   The Director-General has acted as the champion for the decentralization, so essential in understanding and responding to the problems faced by member countries, driving the process in the face of internal resistance within headquarters. The evaluation found that developing country members of FAO wished to balance the internal institutional relationships within FAO to ensure country and region specific issues are given equal weight with the very important global normative work spearheaded by the central technical departments. The international development community as a whole (UN and donors) and developing country governments feel a need for decentralised decision making within unitary vision, policy and strategy objectives. The objectives for the decentralization were found by the evaluation team to have been only partially achieved, due in large part to an imbalance in the weight given in FAO's institutional structure between the needs of countries and regions on the one hand, and the technical programmes and administrative structures of the Organization on the other.

282.   At the same time, the evaluation found a headquarters' culture which assumes that administrative and technical decisions can be better taken in Rome than in the regions and countries concerned. It is also noteworthy that many of the senior administrative staff in headquarters have had little or no direct contact with FAORs and Regional Offices, not having served in the developing countries or undertaken extensive missions to them. Budgets and programmes are managed on disciplinary lines by central technical departments. Another essential element in this culture is the execution of control through overly duplicative checking of budgetary, expenditure and input decisions, prior to their implementation. Apart from considerations of efficiency, this is not effective as it dilutes responsibility and leads to mechanistic decision making. It also disempowers managers in the decentralized structures. The balance in control thus needs to become more ex-post, based on risk analysis and hold individuals clearly accountable.

283.   It was concluded that FAO cannot have the same approach in all regions and all developing countries. The Organization needs to adjust its institutional structures, expertise and priorities to the specific local contexts. A weakness in the Organization's development effectiveness to date is that it has not adequately adapted to diverse situations. The Organization also needs to strive towards much greater flexibility to adjust to the fast evolving needs of the world. Within the limited resources available there needs to be a recommitment and further major changes to:
a)   make FAO more responsive to individual country needs; and
b)   ensure the commonalities of need in regions are identified and addressed.

284.   Greater flexibility by FAO in its decentralized response will require capacity to adjust staffing profiles and competencies. These changes will require changes in FAO staff rules, as well as action by FAO at common system level, together with like-minded Organizations.

285.   Regional Representatives need to become the focus of the Organization's work in their regions, in the framework of agreed strategies for the region, with regional programme entities and major outputs in the Medium Term Plan approved by the Council and Conference. Work at country level should be based on the country priority frameworks agreed by the internal FAO Field Programme Committee, and these should provide strong underpinning in developing the regional strategy. Regional Representatives need to travel widely in the region, to listen to the member countries of the region, follow-up at high level on the development processes initiated by the Director-General and to support FAORs and technical teams on critical issues.

286.   The Regional Representatives should be included as full members of the Senior Management Meeting (SMM) and attend major governing body meetings[29]. This will enable them to become the representatives within the management structure of the Organization's work in the regions, with responsibility, within the regions which they cover, for ensuring that the Organization's global priorities and strategies are translated into action. It will also reinforce their integration into the Organization, deepening unity and coherence.

287.   In order to better reinforce FAORs in their work, Regional Representatives should become the line of reporting for FAORs and regional technical officers on programme matters at country level and for the regional work[30]. This will require greatly increased dialogue with FAORs to reinforce their role in strategy development, organizational change and programming. FAORs should continue to report to the Director-General with respect to major policy and political matters and on the overall direction for FAO in the countries under their responsibility.

288.   At the same time, care needs to be taken that this does not introduce a layer of bureaucracy for normal communication. This should remain as it is now, i.e. between the parties most concerned, with FAORs and technical officers dealing directly with technical departments and the relevant administrative and technical cooperation divisions in headquarters and the regions, as needed. Similarly, close formal and informal contacts need to be reinforced between technical officers in the regions and the relevant headquarters units, with a number of measures including individual focal points, monitoring systems and more face-to-face interchange put in place.

289.   The Subregional Representatives in the Pacific and Caribbean should continue to have a direct reporting line to headquarters and the Director-General as the small island sub-regions are unique in their requirements. Other remaining Subregional Offices should report to the Regional Representative, ensuring unified management across the region[31]. All the Liaison Offices should report to the Office of the Director-General, as is largely the current de-facto situation. For strictly European issues, LOBR should deal directly with REU.

290.   The policy and overall management of appointment and posting of FAORs should continue to be managed through a unit in the Office of the Director-General. All country office servicing should be carried out by the regional MSUs, rather than the present situation where the extra-budgetary resources are handled by the regional MSUs and the Regular Programme by OCD.

291.   Concomitant with these changes, a firm drive is required to upgrade quality of staffing as necessary at all levels in all regions to address the greater challenges and potentials of the enhanced structures and responsibilities. Also the Organization needs to become more networked with greater face-to-face contact wherever possible. A cost in the success of the decentralization will be an increase in meetings and inter-change within regions and also across regions. All other specialised agencies of the UN system devote a considerably greater proportion of their resources to this than does FAO.

292.   If these institutional changes are to achieve their objectives of greater unity, greater relevance and greater impact, the re-balancing of the internal responsibilities requires a considerable amount of time and attention at the top of the Organization to the issues of regions and countries. Without this, even with modern communications and fuller participation of Regional Representatives in the SMM and other meetings of FAO, the Regional Representatives will remain in a weak position vis-à-vis headquarters ADGs and there is also a danger of the

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[29] See also JIU 2002, ibid.

[30] See also Audited Accounts 1998-1999, para 172, C 2001/5, November 2001

[31] The evaluation team was informed that a new reporting system was being developed under which Subregional Representatives would in future all report to the Regional Representatives.

regional representatives receiving inadequate supervision and direction. It is difficult for the Director-General who is responsible for the totality of FAO's work to handle these issues on a day-to-day basis but it is essential that they receive continuing attention at a very high level within the Organization.

293.   It is therefore proposed that, without in any way diluting the direct reporting lines between the regional representatives and the Director-General, the Director-General nominate the Deputy Director-General to handle on his behalf more detailed regional and country questions. The Deputy Director-General would be delegated the responsibility for ensuring collaborative working relationships between headquarters departments and the decentralized offices. He/she would also have higher level responsibility for ensuring regional, sub-regional and country level activities were fully in accord with FAO's policy, strategy and plans.

294.   In short, these proposals would strengthen and deepen the decentralization within a more unified Organization:
a)   Fully binding regional managers into corporate senior decision making and FAORs into the regional process;
b)   Developing a strategic vision and priorities in FAO's programme for each region and for each country based on rolling country priority framework;
c)   Improving the skill mix and availability of staff and other resources in the regions in line with country needs and potentials, initiating a more demand driven way of working;
d)   Making greater use of regional expertise, and regional financial resources, from emerging donors;
e)   Ensuring incentives and streamlining of procedures;
f)   Changing the culture from one of control and monitoring of actions to one of accountability for:
    • Results (assessment and evaluation);
    • Actions (audit)
    This requires more emphasis on ex-post rather than ex-ante controls, which take account of the assessment of risk and performance assessment, accompanied by changes in staff terms-of- reference and contracts which provide both incentive and discipline; and
g)   Ensuring the necessary calibre of staff throughout country and all Regional Offices.

295.   The evaluation team has made an in-depth analysis and identified significant problems. These substantially reduce the cost-effectiveness of FAO's regional and country staffing in terms of benefits to members. They also detract from the unity of the Organization. In line with its terms of reference, the evaluation team has made recommendations to render these services more effective. The evaluation team hopes this report will contribute to recognition of the problems and a constructive debate on how they can be best addressed. In the absence of changes which, at a minimum, raise staff competencies, where necessary; devolve more decision making authority; adjust resources so that staff can travel and work more in countries; and put in place meaningful priority processes at country level, - the further potential of the existing decentralization is undermined.

296.   Finally, although the evaluation set itself the task of making proposals which could be implemented within existing resources; and although there are weaknesses to be overcome, the team became convinced that with the changes recommended in this evaluation, the decentralized action of FAO in direct service of member countries would be worthy of an absolute budget increase without any reduction in the resources for normative work.

In view of the ongoing policy and political issues which may arise in further strengthening decentralization, including those issues related to the establishment of technical groups; the extension of multiple accreditation; and other changes in arrangements for country presence and technical support: - the Governing Bodies may wish to consider establishing a small ad-hoc task force to interface with the Director-General's representatives on policy questions which arise in determining an implementation plan, deciding, as appropriate, on reference of any major issues to the Governing Bodies.

ANNEX 1 - TERMS OF REFERENCE OF THE EVALUATION

I.   INTRODUCTION

1)   The Director-General's Review of the Programmes, Structures and Policies of the Organization presented a comprehensive package of reforms to the FAO Council in May 1994. Decentralization was defined as one of "Guiding Principles" in that reform, underlying proposals for change to assure a reinvigorated and more effective Organization. The Guiding Principle envisaged "The largest possible measure of decentralization of technical activities to regional, sub-regional and country levels……… FAO Headquarters is too remote from the rural masses of Asia, the small-island states of the Pacific, the immense problems of the fragile countries of Africa, the specific issues of interest to Latin America and the Caribbean, the Near East and Eastern Europe. It is imperative that the Organization remain relevant and visible and be seen to act in proximity to the problems. The positive spin-offs of an active decentralization policy are to enhance the use of national, sub-regional and regional capacities, achieve substantial economies in implementation modalities and shorten the time lag between the expression of needs of Member Nations and their satisfaction by the Organization"[32].

2)   The process of increasing decentralization has been implemented over the period since 1995, adjusting and evolving with experience. Measures have included:
   a)   In the regional offices:
      i)   Expansion of the technical staff of regional offices serving the five developing regions;
      ii)   Establishment and staffing of policy assistance branches in each of the regional offices, which also address field programme development;
      iii) Establishment of regional Management Support Units to provide administrative and human resources services to the regional offices, and the field programme;
   b)   Establishment of five sub-regional offices for: Southern and East Africa; Pacific Islands; Central and Eastern Europe; Caribbean; and North Africa;
   c)   Establishment of two additional liaison offices with the European Union and Belgium; and with Japan;
   d)   Increase in the number of countries with an FAO office or liaison officer through a number of arrangements, such as out-posted technical officers, national correspondents and multiple accreditation;
   e)   Decentralization of technical cooperation project operations, first to the regional offices and subsequently for national projects to FAORs with a coordination and monitoring office in the Field Operations Division in Rome (emergency project operations continue to be handled from HQ);
   f)   Restructuring of FAOR offices with the replacement of international programme and administrative staff with nationals;
   g)   Establishment of the Office for Coordination of Normative, Operational and Decentralized Activities (OCD) which coordinates the decentralized structures; and
   h)   Adjusting procedures and strengthening information technology and communication infrastructure to support the decentralization process.

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[32] CL 106/2, paragraph 24 and Executive Summary, paragraph VI, e.

II.   PURPOSE OF THE EVALUATION

3)   Senior management decided that eight years on from the decision to further decentralize important functions of the Organization, it was timely to undertake a comprehensive independent evaluation of the results so far. The need for such an evaluation was also emphasised in the Governing Bodies[33] as well as by the External Auditor[34] and the Joint Inspection Unit.

4)   In this context decentralized functions are considered to be all those functions which are undertaken away from FAO Headquarters in the regional, sub-regional, country and liaison offices. The relationships will be examined between centralized and decentralized structures and functions as well as among the latter. An assessment will be made of what functions can be most effectively centralized as well as decentralized. It is recognised, in carrying out this analysis and drawing conclusions that execution of functions centrally and through decentralized offices is not a static process, but one that moves forward with the evolving needs of member states, advancing technology and resources available to FAO.

5)   Within the orientation provided by FAO's Strategic Framework, the evaluation will be formative, with its primary purpose being to suggest how to enhance the benefits of decentralization to member countries, while correcting any negative impacts and also ensuring increased cost–efficiency. Thus, the central purpose of the evaluation will be to further the aims encapsulated in the Guiding Principles quoted above, i.e. while ensuring the coherence of FAO as a unitary organization to increase the:
- relevance of FAO's work to countries with differing needs and priorities;
- visibility and proximity of FAO to member countries;
- speed of FAO's response;
- economies in programme implementation; and
- use of regional, sub-regional and national capacities.

III.   SCOPE OF THE EVALUATION

6)   The evaluation will focus on assessing the strengths and weaknesses of the decentralization with respect to organizational structures, functions and procedures as they have been established to the present. While the various steps of the decentralization process will be reviewed, the emphasis of the evaluation will be very much on identifying adjustments in the decentralization as it exists today that would be important to better meet the needs of the future.

7)   The evaluation will also analyse the validity and effectiveness of the overall decentralization strategy to the evolving global environment and needs of member countries, drawing attention to relevant changes in those needs. The workings of the decentralized structures are seen as having a key role to play in each of the five FAO strategies to address cross-organizational issues[35].

8)   In assessing this, account will be taken of the views of member countries on the services they require and receive, their quality and effectiveness. In addition, experience of other organizations

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[33] 86th Session of the Programme Committee and 97th. Session of the Finance Committee

[34] C/2001/5 Audited accounts 1998-1999, para 174

[35] Ensuring excellence; Enhancing inter-disciplinarity; Broadening partnerships and alliances; Continuing to improve the management process;, Leveraging resources for FAO and its members; and Communicating FAO's messages.

of the UN system, in particular other specialized agencies will also be considered.

9)   A key element of success for decentralization is adjustment of processes, procedures and supporting infrastructure, including for information technology. Several ongoing and completed internal working groups and reviews have examined financial and administrative procedures, levels of authority, lines of reporting, support cost reimbursement, staffing and IT requirements, particularly but not exclusively with respect to the development and operation of the Field Programme. Reports of the Office of the Inspector-General have also addressed FAORs and regional Offices. The evaluation will thus, not itself examine these aspects in detail but will draw on the work of these groups to form its judgements.

10) The evaluation will be comprehensive but in the course of the work the evaluation team will define and focus on those areas in which it feels there are particular strengths to be built upon and weaknesses to be addressed. Within the scope of the terms of reference, the evaluation team will thus, have the independence and a degree of flexibility to explore in greater depth those issues which it identifies as being of importance.

11) The analysis will be approached from the point of view of identifying key needs and concerns, in a situation of limited resources where not all expectations can be met. To the extent possible satisfaction of member countries and work with development partners will be assessed both for FAO as a whole and disaggregated for Headquarters and the decentralized structures. Arrangements in other agencies will provide a useful bench-mark. Among the factors to be examined in assessing the overall adequacy and effectiveness of the decentralization, are:

  a)   Current and evolving satisfaction of member countries in:
       i)   Identification and prioritisation of response to their needs;
       ii)   Provision of technical cooperation services;
       iii)   Emergency preparedness and response;
       iv)   Assistance in developing programmes and participation in country planning and strategy development work such as the CCA/UNDAF and PRSP processes;
       v)   Policy and technical analysis, advice and dialogue at national and regional levels (including international issues);
       vi)   Information provision and dissemination;
       vii)   Fostering and providing a framework for national, regional and global dialogue;
       viii) Support for sub-regional and regional economic and political integration; and
       ix)   Resource mobilization.

  b)   The extent to which FAO's decentralization facilitates more effective work with development partners (particularly those in the UN system, IFIs and donors) for the benefit of member countries (examined with respect to the points elaborated under a) above).

  c)   The allocation of functions in response to the needs identified between the various offices and headquarters and the capacity to carry them out, particularly with regard to:
       i)   member countries' requirements;
       ii)   capacity and actual performance in carrying out the service in terms of quality and effectiveness of the service provided (including capacity of staff, systems, internal working arrangements and infrastructure); and
       iii)   cost and other efficiency considerations.

  d)   The clarity and coherence of overall organizational arrangements, procedures and responsibilities with respect to the management and work of the decentralized offices and assuring the full complementarily of work and functions performed at Headquarters and that in the decentralized offices. Areas to examine may include with respect to each of the main functions, and for the work as a whole:

        i)   Organizational structure;
        ii)   Clarity of the functions, roles and responsibilities;
        iii)   Planning, programming and budgeting arrangements for regular programme and extra-budgetary work;
        iv)   Levels of authority and flexibility;
        v)   Controls (technical, financial and administrative); and
        vi)   Overall coordination, management, information flows and communication; and
        vii)   Other aspects of systems and procedures.

e)   The parameters imposed by corporate culture and the extent to which they strengthen or hinder the effectiveness of decentralization, including:
        i)   Incentives, status and reward structures, practice and conceptions and implications for cooperation, competition and management style;
        ii)   Impacts on lines of reporting, information flows and communication;
        iii)   Human resource policies, procedures and practices and;
        iv)   Attitudes to organizational learning and change.

12) The evaluation team will examine the validity of criticisms and suggestions for improvement made by internal and external reviewers, including the JIU and the External Auditor.

13) Recommendations will be prioritised and clearly identify those improvements which could be made without any additional resources. Indicative costings and savings will be provided for the changes proposed (possibly on a scenario basis).

IV.   METHODOLOGY

14) A prerequisite in achieving the evaluation's purposes is that it be independent but also transparent and inclusive of stakeholders throughout the process.

15) The evaluation will be preceded by a desk review summarising all the available documentation.

16) The evaluation process will be highly consultative and subject to discussion with the evaluation team. The evaluation process is foreseen as:

a)   Study of background materials and preliminary discussions and briefing in Headquarters;
b)   Preparation of a preliminary listing of issues that the team wishes to explore further (which will be adapted as the evaluation continues);
c)   Visits to all regional offices and a sample of sub-regional offices, countries with and without FAORs, FAORs and liaison offices - where the issues will be explored further with all concerned (a structured check list will be used and it is possible that a standard assessment format for national and regional requirements, functions and standard of service will be developed). A purposive representative sample of countries will be visited with criteria for selection including: regional distribution, size in terms of population, level of development, size of the FAO Programme in the country and types of FAO representation;
d)   Development of questionnaires to be sent to all countries, decentralized offices and concerned Headquarters units, and to development partners following the first country visits which will provide pointers for issues to be covered in the questionnaires;
e)   A few other Headquarters of UN specialised agencies may be visited to gain insight into their experience;

f) Based on the above information, preparation of a draft report of findings and recommendations;
g) Discussion of finding and recommendations with concerned managers; and
h) Finalisation of the report.

17) No review by a separate peer review panel is envisaged as the evaluation will be led by an external consultant and incorporates a workshop.

18) As is normal practise on completion of the evaluation, senior management will provide a formal response to the findings and recommendations, which will be provided to the Governing Bodies, together with the evaluation report.

ANNEX 2 – SUMMARY CURRICULUM VITAE OF INDEPENDENT EXTERNAL MEMBERS OF THE EVALUATION TEAM

Team Leaders

David Sands Smith (UK) served his career in the UK Department for International Development (DFID) in Africa and Asia and was: Head of the DFID European Community Development Department (including UK representative on development matters during the Lomé negotiations); Director of the DFID regional office for East Africa in Nairobi; UK Representative to the UN agencies in Rome; Head of the DFID Office in Scotland and Head of Services (which included responsibility for the DFID administrative and personnel functions). He concluded his career with DFID as Head of the Development Policy Department.

Mary Chinery-Hesse (Ghana) is currently a member of the UN Secretary-General's High Level Panel on Threats Challenges and Change. She was previously: ILO Deputy Director-General; UNDP Resident Representative (Sierra Leone, Tanzania, the Seychelles and Uganda); and in Ghana Principal Secretary of the Ministry of Finance and Economic Planning, and Secretary of the National Economic Planning Council. She also served as Chairperson of the Consultative Committee on Programme and Operational Questions of the United Nations, the Commonwealth Expert Group of Eminent Persons on Structural Adjustment and Women, and the High-Level Panel of Eminent Persons on Review of Progress in the Implementation of the Programme for the Least Developed Countries. Ms. Chinery Hesse was a member of the Council of African Advisers of the World Bank, the Eminent Persons' Advisory Panel of the African Union, and the Distinguished High-Level Panel of Eminent Persons on Financing for Development (Zedillo Commission) and the International Civil Service Commission.

Regional Consultants

Adel Aboul-Naga (Egypt) retired from the position of FAO Representative to Pakistan at the end of 2003. Previous to this, he had been his country's Representative to the UN agencies in Rome for five years, during which he was also member of FAO Programme Committee, and chairman of both the Group of 77 and the Near East Group. He had been appointed to this post from the position of Under-Secretary for Animal Production in Egypt, when he travelled extensively in the Near East region. Dr. Aboul Naga holds a Ph.D in Animal Breeding.

Minoli Santiapillai (Sri Lanka) has had a career extending over 20 years with UNDP in several Asian countries. She was responsible for UNDP monitoring of FAO projects in Sri Lanka. She also has more recent experience as free-lance consultant for a variety of clients, including the private sector and has worked particularly on gender and social development.

Roberto Cabral y Bowling (Mexico) has had a long academic and research career with the University of Mexico in the field of economic and agricultural development. He has been an economic advisor to the Government of Mexico, including work on the Mexican agrarian reform and on foreign aid for the agricultural sector. He was General Director of Planning in the Ministry of Environment, Natural Resources and Fisheries and more recently Chief Advisor to the Under-Secretary of State for Hydrocarbons.

ANNEX 3 – STAFF COMPETENCY REQUIREMENTS

FAOR Offices and FAORs

1)   Although the functions of FAO country offices are many, the evaluation identified the following roles which are important in determining office competencies:
   a) advocating FAO's messages;
   b) inputs into, and facilitation of, national dialogue on policy and strategy at all levels;
   c) facilitating coordination and partnership (in a lead or supporting role) among the international community for food security, rural, agricultural, livestock, forestry and fisheries development;
   d) field programme development (for both emergencies and development);
   e) field programme implementation (for both emergencies and development);
   f) facilitating two-way information exchange on all matters relating to FAO's areas of mandate.

2)   If these tasks are to be translated into the skill mix required for the office they broadly correspond to:
   a) broad knowledge of FAO's area of mandate (this requires broad sectoral knowledge);
   b) knowledge of the country (macro perspective, agriculture, etc.);
   c) knowledge of FAO as an institution and thus, capacity to draw upon its resources, provide insights to its programmes and use its administrative and financial systems;
   d) capabilities in:
      i) policy and strategy development;
      ii) networking and communication;
      iii) promoting FAO's services in areas of demand;
      iv) management and administration;
      v) leadership; and
   e) willingness of the FAOR (him/herself) to actually do practical work, such as working on papers and project documents, rather than expecting to occupy a role superior to hands on work.

3)   The evaluation team concluded that, with variations depending upon the needs and potential of the countries they are serving, FAORs need themselves to possess all the above skills. Although the need for strong management and administration capacity can sometimes be partially offset by the capacities of other staff in the FAOR office, the remainder cannot.

Technical Regional/Sub-regional Officers

4)   With the implementation of the recommendations in this report, the responsibilities of technical officers would become broader in terms of the issues to be covered and their policy and strategic roles at both country and regional levels. They would also be expected to work more as members of inter-disciplinary teams. Roles would thus include:
   a) support FAORs in identifying and designing priority areas of action at country level;
   b) identification of needs for specialist inputs at country and regional levels;
   c) contribute, taking the lead as necessary, to design of field projects;
   d) contribute, taking the lead as necessary, to the provision of policy and strategy advice to countries;
   e) contribute to the identification of priority areas of action for the Organization for inter-country normative and project work;
   f) contribute, taking the lead as necessary, to regional normative work;

g) provide technical support to the field programme, including emergency interventions;

h) advocate FAO's technical messages; and

i) provide, as an appropriate an inter-face between the technical departments of the Organization and countries, communicating the issues of the region to headquarters and headquarters technical concerns in the region.

5)   If these roles are to be translated into the skill mix required for the role, competences required are as follows:

a) wide technical knowledge in one of the Organization's main areas of mandate and of how their technical field of competence relates to the sector as a whole;

b) knowledge of the Organization, of its technical priorities, technical resources, and procedures;

c) knowledge of the group of countries they serve, both as regards their area of work and the broader context;

d) analytical skills;

e) project formulation skills;

f) policy and strategy formulation skills;

g) coordination, networking and team-playing skills;

h) capacity for multidisciplinary work; and

i) verbal and written communication and advocacy skills.

Regional/Sub-regional Representatives

6)   The responsibilities for the regional and sub-regional representatives would include:

a) identify priority areas of action for the Organization for both normative and field programme at country, clusters of countries and regional/sub-regional level;

b) communicate with, and support FAORs in all aspects of their work, particularly in national dialogue on policy and strategy, and on field programme development;

c) ensure coherence, unity and synergy between FAO normative and field programme of work in the region/sub-region, in line with national demands and FAO's Strategic Objectives, in close collaboration with the ADGs of Technical Departments;

d) facilitate a two-way information exchange between the region/sub-region and headquarters on all matters relating to FAO's areas of mandate;

e) plan and conduct regional meetings, including the regional conference;

f) coordinate and implement FAO's normative work at regional and sub-regional level;

g) build a coherent team within the office; and

h) manage all aspects of the regional/sub-regional office's work.

7)   In performing these roles, competences required include, at a very senior level:

a) leadership and vision;

b) broad knowledge of FAO's area of mandate (this requires them to be very broad in their sectoral knowledge);

c) knowledge of the region, especially at the policy level (macro perspective, agriculture, etc.);

d) knowledge of FAO as an institution and thus, capacity to draw upon its technical resources and provide insights;

e) analytical capacity;

f) representation, negotiation and communication skills;

g) networking skills; and

h) managerial skills.

ACRONYMS

ACP	African, Caribbean and Pacific Group of States
ADG	Assistant Director-General
AFI	FAO Information Systems and Technology Division
AIDS	Acquired Immunodeficiency Syndrome
CAP	Common Agricultural Policy
CCA	Common Country Assessment
CIS	Commonwealth of Independent States
COIN	Country Office Information Network
CTA	Chief Technical Adviser
ES	FAO Economic and Social Department
ESA	FAO Agricultural and Development Economics Division
ESC	FAO Commodities and Trade Division
EU	European Union
FAOR	FAO Representative
FAS	Field Accounting System
FI	FAO Fisheries Department
FIVIMS	Food Insecurity and Vulnerability Information and Mapping Systems
FPMIS	Field Programme Management Information System
GDP	Gross Domestic Product
GII	FAO Information Division
GMO	Genetically Modified Organism
HIV	Human Immunodeficiency Virus
IFAD	International Fund for Agricultural Development
IFI	International Financing Institution
IICA	Inter-American Institute for Cooperation on Agriculture
ILO	International Labour Organization
IT	Information Technology
JIU	Joint Inspection Unit of the United Nations System
LDCs	Least developed countries
LOBR	Liaison Office with European Union and Belgium
LOGE	Liaison Office with the United Nations (Geneva)
LOJA	Liaison Office in Japan
LONY	Liaison Office with the United Nations (New York)
LOWA	Liaison Office for North America
MDG	Millenium Development Goal

MSU	Management Support Unit
MTP	Medium-Term Plan
NAFTA	North American Free Trade Agreement
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental Organization
OCD	Office for Coordination of Normative, Operational and Decentralized Activities
OCHA	UN Office for the Coordination of Humanitarian Affairs
OTO	Outposted Technical Officer
PAHO	Pan-American Health Organization
PEs	Programme entities
PPRC	Programme and Project Review Committee
PRSP	Poverty Reduction Programme
PWB	Programme of Work and Budget
RAF	FAO Regional Office for Africa
RAP	FAO Regional Office for Asia and the Pacific
REU	FAO Regional Office for Europe
RLC	FAO Regional Office for Latin America and the Caribbean
RNE	FAO Regional Office for the Near East
RP	Regular Programme
RR	Regional Representative
SAD	Special Adviser to the Director-General
SAFR	Sub-regional Office for Southern and East Africa
SAPA	Sub-regional Office for the Pacific Islands
SDA	FAO Rural Development Division
SEUR	Sub-regional Office for Central and Eastern Europe
SLAC	Sub-regional Office for the Caribbean
SMM	Senior Management Meeting
SNEA	FAO Sub-regional Office for North Africa
SPFS	Special Programme for Food Security
TBT	Technical barriers to trade
TCA	FAO Policy Assistance Division
TCAP	FAO Field Programme Development Service
TCAR	FAO Policy Coordinating Service
TCAS	FAO Agricultural Policy Support Service
TCDC	Technical Cooperation between Developing Countries
TCE	FAO Emergency Operations and Rehabilitation Division
TCI	FAO Investment Centre Division

TCO	FAO Field Operations Division
TCP	FAO Technical Cooperation Programme
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
Unesco	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization