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Organización de las Naciones Unidas para la Alimentación y la Agricultura

منظمة الأغذية والزراعة للأمم المتُدُدة

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# FAO REGIONAL CONFERENCE FOR

# ASIA AND THE PACIFIC

## **Thirty-fifth Session**

Thimphu, Bhutan, 17-20 February 2020

### **Decentralized Offices Network**

#### **Executive Summary**

FAO's Decentralized Offices strategic positioning has been significantly affected by a paradigm shift in the global development system and changing external landscape. FAO is actively contributing to the implementation of the United Nations (UN) General Assembly resolution 72/279 on the UN Development System (UNDS) repositioning, with the overall objective of reinforcing collaborative efforts and identifying greater synergies between UN partners, and especially with the Rome-based Agencies (RBAs), towards the attainment of the Sustainable Development Goals (SDGs).

FAO's immediate priority in the course of 2020 and beyond, would be to revamp its Decentralized Offices business model in order to pursue a programmatic approach and contribute more strategically to the UN system collective response to countries' aspirations in the attainment of the SDGs and the 2030 Agenda. In this context, FAO's contribution to the collaborative UN development effort will focus on achieving food security, nutrition and food and agricultural systems transformation.

The upcoming UN Decade on SDG acceleration will be a critical milestone for FAO's decentralized network to support national governments across various SDGs, focusing particularly on accelerating agricultural and rural transformation to eradicate poverty (SDG 1) and hunger (SDG 2), in line with the newly launched flagship Hand-in-Hand Initiative.

Following the subsidiarity principle, FAO aims to further increase the autonomy of its Decentralized Offices at (Sub)Regional and country level for decision-making over resources, staff, policies and regulations that was previously centralized, in order to shift the Organization from a centre-out approach to one driven by demands at country and regional level. Efforts have already been made to progressively increase the flexibility afforded to Decentralized Offices to manage available budgeted resources. Furthermore, this approach has been underpinned by greater delegation of authority to Decentralized Offices in various fields, including procurement and human resources, with the overall objective to ensure effective, agile and result-oriented delivery of FAO's programme of work on the ground.

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In parallel, in line with recommendations from oversight bodies, FAO has been taking consistent internal measures to strengthen oversight, transparency and integrity in Decentralized Offices. A more robust internal control and risk management system has been put in place, to ensure adequate accountability measures and increased responsibility of managers in Decentralized Offices. This shift will continue by enhancing the monitoring and evaluation function in the field, aiming to increase Decentralized Offices' capacities, efficiency and responsiveness to member countries' needs.

#### Suggested action by the Regional Conference

- Support FAO Management's efforts towards increasing delegations of authority and decentralizing decision-making in administrative and programmatic areas, including human resources and procurement, aiming to improve overall delivery of the strategic programmes and respond to the aspirations of the 2030 Agenda.
- Request FAO to further pursue the adjustment of its Decentralized Offices business models, in particular in light of the UNDS reform, in order to ensure greater flexibility and efficiency in the use of the Organization's existing limited financial and human resources, aiming to respond to member countries' emerging needs and priorities under FAO's Strategic Objectives and in line with the SDGs with special attention to addressing hunger and poverty in the most needy and vulnerable countries, prioritized by the Hand-in-Hand Initiative.
- Request FAO to continue its efforts to strengthen its technical capacities and policy integration at regional and subregional levels, to ensure FAO leadership in the region across relevant SDGs, including those under FAO's custodianship, and to contribute effectively to the new UN Cooperation Frameworks and common country analysis.
- Request FAO to shift towards a full programmatic approach at decentralized level to better demonstrate its valuable contributions to SDG achievement in line with recommendations of the Evaluation of FAO's Strategic Results Framework.
- Support FAO's continued engagement in the implementation of the UNDS repositioning at regional and country levels, and provide guidance on FAO's strategic direction with regard to its value proposition in the region.
- Request FAO to evaluate, identify and seize emerging opportunities arising from UN reform at country and regional levels, building on lessons learned and successful experiences in collaboration with other partners, especially in the RBA environment.

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#### Setting the scene: FAO's decentralization policies and external drivers

1. FAO's Decentralized Offices strategic positioning has been significantly affected by a paradigm shift in the global development system and changing external landscape. The 2030 Agenda and related transformative changes, requires FAO to coordinate its contributions in a multisectoral context towards the achievement of the Sustainable Development Goals (SDGs) at the national level.

2. FAO is actively contributing to the implementation of the UN General Assembly resolution 72/279 on the UN development system (UNDS) repositioning, with an overall objective of reinforcing collaborative efforts and working in a synergetic manner with other UN partners and especially with the Rome-based Agencies (RBAs). The ambitious UNDS repositioning process has placed a strong emphasis on UN agencies engaging in partnerships and joint planning and programming, resource mobilization and common business operations at decentralized levels, and envisages a restructuring of UN regional assets.

3. FAO is engaged in the development and rollout of the RBA Action Plan for 2019-20, designed to operationalize the tripartite Memorandum of Understanding signed in 2018. The progress in the RBAs' collaboration at decentralized level, including on joint advocacy, analysis and planning is an important contribution to the UN reform implementation.

4. Growing decentralization of resource and investment mobilization efforts within the emerging development landscape is another new dimension, requiring the development of a new business model for FAO's Decentralized Offices, including a greater focus on continuing to leverage investments in support of national goals.

5. Increasing importance of the regional and subregional dimension of development cooperation requires strengthened partnerships, high-level policy capacities and technical knowledge to develop region-specific solutions and to address challenges of a transboundary nature.

6. Evolving country contexts, (with more countries graduating into the middle-income and highincome economic categories) and hence changing national needs and priorities, compounded with ongoing transformations in countries' food and agricultural systems, is an important driver for country office transformation. The increasing influence of regional and subregional intergovernmental and economic integration organizations, is a new reality impacting country-level policies and donors' agendas as well as FAO's positioning at decentralized level.

7. Last but not least, major global challenges and policies shaping FAO's work in regions and countries, including *inter alia* the UN Decade of Action on the SDGs, the UN Decade of Action on Nutrition (2016-2025), the Paris Agreement on Climate Change (2016), the Global Compact on Migration (2018), and the future outcomes of the forthcoming UN Food Systems Summit, need to be taken into due consideration in Decentralized Offices' strategic planning and programming.

#### Common achievements among the five regions

8. In 2018-2019, FAO continued to invest in strengthening its Decentralized Offices' network and its capacities across the regions, to increase the impact of its work at the country level, supporting member countries in their efforts to attain the SDGs. FAO has been pursuing a two-fold strategy that consisted of strengthening FAO's collaborative efforts, capacities and leadership at country and regional level, on the one hand, and improving internal performance, decision-making systems and delivery services to ensure more integrity and transparency and to be fit for purpose for the 2030 Agenda, on the other hand.

# Strengthening the capacities, leadership and partnerships at Decentralized Offices

9. Strengthening capacities: Pursuant to the guidance provided by the FAO Council at its 163rd

session(2-6 December 2019), FAO will continue efforts to strengthen the work of Decentralized Offices without negatively impacting technical capacity at headquarters. This process was launched in the previous biennium, to implement the guidance provided by the Regional Conferences in 2018 concerning the need for increased efficiency, flexibility and capacity of Decentralized Offices, and prioritized and tailored support to meet countries' specific needs. In particular, FAO started the transformation of country office business models, aiming to provide much needed flexibility for resource allocation at the country level to address emerging needs, including larger allocations to the most vulnerable countries.

10. These efforts will be further enhanced in 2020 and beyond to ensure that FAO's Decentralized Offices are adequately equipped to offer high-level technical and programming expertise and continue to adapt their respective skillsets to evolving priorities and a changing external environment. In an ever more competitive environment in the field, thinly resourced Decentralized Offices would require greater capacity and backstopping support for joint planning, programming and resource mobilization as well as partnerships in the framework of a reinvigorated UN Resident Coordinator (RC) system. Financial and human resources are provided 'on-demand' to the roll-out countries starting the new UN Cooperation Framework cycle. This support includes skilled 'FAO Surge Capacity Teams' from different levels and areas of expertise of the Organization to be timely involved, and deployed as required, during the critical steps of the preparation of the Common Country Analyses (CCAs) and the entire visioning exercise, from which FAO's Country Programming Frameworks will be derived. The adjustment of staff profiles will be undertaken, including a skill mix exercise and analysis of gaps in terms of expertise.

11. In pursuance of the recommendations from the Internal Review of FAO Regional Structures (2019), opportunities will be explored to focus thematically the multidisciplinary teams in the subregional and regional offices to provide integrated solutions and ensure better access of countries to FAO's technical expertise, knowledge and policy support in a complementary way to the overall review of the UN regional architecture, that is proposing the establishment of issues-based coalitions. The innovative business model of Partnership and Liaison Offices (PLOs) will be further explored and expanded to interested upper- and lower middle-income countries, with stronger emphasis on their potential role as centres of excellence, including through South-South and Triangular cooperation.

12. Strengthening FAO's leadership in the UN country teams: As evidenced by initial lessons learned from the implementation of the UN reform in the roll-out countries<sup>1</sup>, in order to harvest the potential of this renewed UN partnership, FAO's Decentralized Offices need to demonstrate strong leadership capacity within the UN country teams. In particular, the new reinvigorated RC system has provided an opportunity for FAO country representatives to leverage political support from an independent and impartial RC system for the sustainable food systems, agriculture, nutrition and food security (68 percent of FAO Representatives [FAORs] consider the new leadership of the RC as being independent and impartial with regard to their interaction with UN Agencies, Funds and Programmes<sup>2</sup>).

13. Since the launch of the UNDS reform on 1 January 2019, appropriate actions have been taken and guidance designed and provided to Decentralized Offices to ensure FAO's leadership role in the process. FAOR profiles (job descriptions) were adjusted with a strong focus on Sustainable Development, especially on agriculture and food systems transformation. From 2020, FAORs are accountable for and will report to the RC on joint development results (modifications were introduced in the performance evaluation tool, PEMS). In a more strategic manner, FAO is consolidating a global knowledge management function to support country-level interventions through the targeted collection, analysis and dissemination of corporate data and statistics on measurable indicators. Special training tools are being designed to support FAORs to implement the reform. FAO has been more proactively engaged in leading more systematically the work of various thematic results groups and other mechanisms within UN country teams.

<sup>&</sup>lt;sup>1</sup> Results received from FAO's Internal Survey on the UN reform held in October-November 2019 with participation of all Decentralized Offices

<sup>&</sup>lt;sup>2</sup> Same as previous

14. Furthermore, FAO has substantially revised its own Country Programming Framework (CPF) Guidelines in order for the planning and programming instrument at country level to be fully derived from the UN Cooperation Framework, as required by the UN Sustainable Development Cooperation Framework (UNSDCF) Guidelines.

15. FAO is also participating in the design of country-level UN Business Operations Strategies. These have the overall objective to improve efficiency, accountability and cohesion through enhanced collaboration and greater synergies between agencies' administrative services and back offices with a view to achieving overall cost savings to be redeployed in support of development initiatives towards the attainment of the SDGs. FAO is a signatory to the Mutual Recognition Statement, allowing for greater administrative cooperation across agencies, funds and programmes. These efforts complement the current vertical integration of administrative services already achieved through the FAO Shared Services Centre (SSC).

16. Defining FAO's value proposition in the UN regional architecture: Throughout 2019, FAO has been fully engaged in the work of the interagency Internal Review Team (IRT) on the UN Regional Review, which resulted in the establishment of a single Regional Collaborative Platform (RCP) for each region with the UN Development Coordination Office (DCO) serving as secretariat.

17. With regard to the RCP, the Organization is actively supporting the analytical and programmatic framework and advisory services, advocacy and convening functions especially for regional processes, strengthened coordination and support to UN RCs through policy work, analysis and information.

18. FAO is actively engaging in the formulation of the CCAs and is participating in the Mainstreaming, Acceleration and Policy Support (MAPS) missions in selected countries for further connection/integration with the new cycle of Cooperation Frameworks. FAO Regional Offices are providing technical and policy assistance support to Decentralized Offices in the various steps of the formulation of the Cooperation Frameworks. Selected FAO Regional Officers have been appointed as members of the Regional Peer Support Groups (PSGs) coordinated by the newly established Regional DCO Offices, tasked to peer-review the quality of the CCAs and other parts of the Cooperation Frameworks, ensuring FAO's comparative advantage and contribution to relevant SDG targets are clearly recognized.

19. By pursuing cost-effective, demand-driven collaboration with UN partners at regional and subregional level, underpinned by a clear value proposition for the UN system as a whole as defined in the IRT, FAO will be better able to provide adequate responses to emerging cross-border or common development issues and priorities in the specific regional context. FAO has been supportive and committed to facilitate the proposed issue-based coalitions across various thematic clusters. FAO's regional efforts will also concentrate on improving accessibility to finance and investments through closer engagement with private sector and International Financial Institutions (IFIs).

20. Prioritizing FAO's support to Small Island Developing States (SIDS), Least Developed Countries (LDCs) and Land-locked Developing Countries (LLDCs):\_Responding to the request of the FAO Council at its 159th session (4-8 June 2018) and FAO membership's firm political commitment of reaching populations in far-off and isolated places in line with the principle of 'Leaving No One Behind', the FAO Director-General is placing strong emphasis on providing special targeted assistance to address the challenges of SIDS, LDCs and LLDCs. The newly established dedicated Office in FAO headquarters will coordinate and harmonize policy support to these countries, and the newly launched flagship Hand-in-Hand Initiative is serving as a platform for better facilitation and acceleration of FAO's contribution to countries in achieving SDGs 1 and 2.

#### 21. Enhancing RBA collaboration: The ongoing repositioning of the UNDS

is playing a strong catalytic role in advancing the three RBAs' cooperation at country and regional level. In response to the recommendations approved by the FAO Council at its 159th session in June 2018, there is a growing effort to make this collaboration more systematic, strategic and focused on programmatic approaches. The RBAs are demonstrating active team engagement in this process in the field and are positioning themselves as "natural allies" thus advocating jointly for placing food

security, nutrition and sustainable agriculture high on the UN country agenda. RBAs are more closely engaged in designing joint programmes on food, nutrition and agriculture at country level as part of the UNSDCF, including piloting of joint country plans in selected countries (Colombia, Indonesia and the Niger).

## Improving internal performance and oversight, decision-making systems and delivery services

22. Decentralizing decision-making and delegation of authority: Since the initial phases of decentralization, in response to decisions taken by member countries at the 163rd Session of the FAO Council and following the subsidiarity principle, the Organization has been taking continued measures to increasingly delegate authority to Decentralized Offices, especially on planning, programming and resource mobilization. Most recently, FAO has been sharpening its focus on ensuring meaningful delegation of authority in operational matters, especially on human resources management and procurement, as reaffirmed by the Internal Review of FAO's Regional Structures (2019) and the Evaluation of FAO's Strategic Results Framework (2019). These efforts will continue in 2020 and beyond, with the objective to speed up FAO's delivery and avoid delays in project implementation, to meet the expectations of the 2030 Agenda and engage in joint programme implementation with other UN partners. Actions being implemented include the revision of the Non-Staff Human Resources (NSHR) policy, allowing increased decision-making authority from headquarters to the Regional Offices in various fields, including recruitment of non-staff resources and streamlining of various clearance procedures. The newly introduced revised procurement policy of FAO (Manual Section 502) allows increased delegation of authority for heads of Decentralized Offices, provided that local capacities are in place (i.e. training) and/or International Procurement Officers (IPOs) are available in the country or at (sub)regional level to support national and regional procurement actions.

23. Improving internal performance, control and risk management functions in the Decentralized Offices: In the reporting period, FAO introduced strengthened internal controls, operational management (including fiduciary risk) and risk management functions in Decentralized Offices, as recognized by the Multilateral Organisation Performance Assessment Network (MOPAN) Assessment Report 2017-2018. The full-scale implementation of risk management function roll-out in the Decentralized Offices, including more integrated and streamlined systems for planning, monitoring and reporting on risks is underway and will be completed in the course of 2020. In parallel, to increase the local capacity, FAO launched new knowledge exchange and training programmes, including temporary geographic mobility placements for Assistant FAORs, group briefings for new FAORs and cross-regional Think Labs, enabling Decentralized Offices to share experiences, good practices and solutions to common challenges across all five regions.

#### Achievements and challenges in the region

24. Asia-Pacific has some unique challenges, which are shaping the work of FAO in the region. Shifting demographics, the changing socio-economic climate, increased trade, and modified diets are influencing the emerging issues for the region's food security and sustainable development. These include the growing challenge of obesity and non-communicable diseases, the importance of urban food systems and demand for food convenience, crop and food loss, diversification and biodiversity, food safety, trade, impact of drought/floods and water scarcity, vulnerability to transboundary pests and diseases, and the poverty-resilience nexus. There are also some challenges which though specific to a few countries, such as conflict and disproportionate exposure to natural disasters, are also noteworthy in the region.

25. Moving towards an integrated support: To tackle these interlinked issues, the Regional Office is working through an "under one roof" approach to find common ground and solutions across sectors and among different stakeholders. FAO's technical assistance emphasizes the need for a cross-sectoral and a "whole of system" approach and is increasingly collaborating with the UN and other partners to

deliver integrated support. FAO's policy advocacy at the regional level is helping to mainstream food security, nutrition and climate resilience, to keep agriculture, fisheries and forestry at the centre of the national level sustainable development agenda. Through its normative work, the Regional Office is striving for tailored approaches and to this effect has stepped up its analytical products that can help countries better understand the different aspects of food security, nutrition and agriculture as a basis for evidence-based policy-making.

26. Amongst these products are the 2018 and 2019 Asia and Pacific Regional Overview of Food Security and Nutrition (Regional SOFI) prepared in collaboration with the United Nations Children's Fund (UNICEF), World Food Programme (WFP) and World Health Organization (WHO). Others include flagship reports on Dynamic Development, Shifting Demographics and Changing Diets and Forest Futures: Sustainable Pathways for Forests, Landscapes and People in the Asia-Pacific Region. Another joint product is the Urban Food Systems Regional Study by FAO and the World Bank which integrates analysis of urban planning, food supply chain, and consumers, while FAO's partnership at the regional level with the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) on Future Smart Food highlights the potential for dietary diversification through neglected and underutilized plant species in Asia and the Pacific.

27. Major regional events included the Global Symposium on Food Security and Nutrition with the International Food Policy Research Institute (IFPRI), and the Fourth Asia-Pacific Forestry Week, which involved multistakeholder collaboration to integrate these issues into the wider context of sustainable development. Other large-scale regional events highlighted the International Day against Illegal, Unreported and Unregulated (IUU) Fishing, Biodiversity Mainstreaming across Agricultural Sectors, and the regional implications of the Intergovernmental Panel on Climate Change (IPCC) Special Report on Climate and Land.

28. In the Pacific, the 2018 and 2019 Pacific Week of Agriculture is one of the ways FAO is supporting regional processes for the Joint Action Framework for Food Security and Nutrition in the Pacific (operationalizing the Global Action Programme on Food Security and Nutrition in the Small Island Developing States [GAP]).

29. The Regional Office provided support to the Decentralized Offices to urgently respond during the 2018-2019 transboundary outbreaks of African Swine Fever, Fall Armyworm and Banana Wilt Disease (TR4) while continuing to address the growing threat of Antimicrobial Resistance and other ongoing animal, plant and pest diseases in the region.

30. Support to SDG achievement: The Regional Office has been assisting countries to build an enabling environment for the achievement of Agenda 2030 and the SDGs related to food and agriculture (including forestry and fisheries). Countries have been capacitated to identify gaps, use cost-effective methodologies to collect data and monitor progress against SDG indicators. Member countries can also access support for planning and implementing agricultural censuses. At regional level, a Regional Action Plan for the Global Strategy to Improve Agricultural and Rural Statistics was successfully completed in 2018. The Regional Office has subsequently provided support to over 20 countries in the region to improve their agriculture statistics and mainstream SDG indicators.

31. Innovation, information and communications technology in agriculture : FAO Innovation Labs were launched at country level, led by FAO China's AgLabCx, with a regional platform "i-connect." The Regional Office published several reports on E-Agriculture in Action, including on Drones, Blockchain for Agriculture and Big Data for Agriculture, and facilitated digital agriculture/e-agriculture strategies in seven countries, in addition to numerous applications of drones, sensors, traceability technology, e-data and other digital innovations underway in field projects. Concurrently, the Regional Office has been working on a regional strategy to guide efforts to harness digital agriculture as well as establish the internal capacities and institutional framework needed for effective technical support to member countries.

32. New partnerships: The Regional Office is increasing its partnerships with intergovernmental bodies such as the Association of Southeast Asian Nations (ASEAN) and South Asian Association for Regional Cooperation (SAARC), multilateral institutions including the World Bank Group, Global

Environment Facility (GEF) and Green Climate Fund (GCF), technical institutes and academia, and parliamentarian groups to put a spotlight on accelerators and impact programming for the SDGs. The Regional Office is also reaching beyond traditional development actors and has established new platforms through which FAO can access private sector support. Of special note is the Sustainable Rice Landscapes Initiative, launched in 2019, as a partnership between FAO, UN Environment, World Business Council for Sustainable Development, GIZ, International Rice Research Institute (IRRI), and the Sustainable Rice Platform, to promote sustainable and inclusive rice production landscapes that link farmers to markets. As a strategic approach, the Initiative has facilitated the approval of concept notes of over USD 100 million in GEF-7 investment leveraging more than USD 1 billion in co-finance for the region.

33. FAO continued and increased its partnership with civil society organizations (CSOs) such as the Asian non-governmental organization Coalition for Agrarian Reform and Rural Development (ANGOC) for strengthening the FAO-Legislative Advisory Group in the Philippines (FLAGPH); the Asian Farmers' Association for Sustainable Rural Development (AFA) for supporting gender-sensitive value chain in SAARC; and the Centre for Green Economy Development, Nepal (CGED-NEPAL) in more productive and sustainable agriculture, forestry and fisheries. An enhanced partnership with the Asian Partnership for the Development of Human Resources in Rural Asia (AsiaDHRRA) was formalized in 2019 through a Memorandum of Understanding to promote improved coherent actions for achieving the SDGs in the region.

34. Building collaboration through the UN reform: FAO is committed to expanding its regional collaboration with the RBAs. In Afghanistan, FAO and the International Fund for Agricultural Development (IFAD) are closely collaborating in the dairy sector development. In the Lao People's Democratic Republic the RBAs are providing strategic support to food security and nutrition issues while in Indonesia which is a pilot country for RBA joint country planning, the RBAs are supporting the Government in developing policies for a holistic multisectoral approach to food systems. In another collaborative effort, in the Philippines, FAO and WFP are jointly supporting the Government in advocating for alleviating hunger and in China the RBAs are jointly conducting knowledge sharing initiatives, for example in 2018 they co-hosted the China International Forum on Poverty Reduction. In Myanmar, FAO and WFP are leading the coordination of food security responses in major emergencies; in Pakistan, FAO and WFP published a joint Policy Note on Zero Hunger and in Sri Lanka the RBAs are strengthening the resilience and livelihoods of vulnerable smallholder farmers to climate-related shocks. The collaboration with UNICEF, WFP and WHO on the Regional Overview of Food Security and Nutrition in Asia and the Pacific continued with the release of the second joint report in 2019 which focuses on nutrition-sensitive social protection.

35. Prioritizing SIDS: Close collaboration between FAO headquarters, the Regional Office, the Subregional Office and the Decentralized Offices has facilitated knowledge sharing and brought development solutions to the region. Through the Global Action Programme on Food Security and Nutrition in the Small Island Developing States (GAP), countries in the Pacific, the Caribbean, the Atlantic, Indian Ocean, Mediterranean and South China Seas (AIMS) regions are exchanging experiences through a common set of tools and approaches.

36. Policy support to member countries to mainstream nutrition and food security into multisector policies resulted in project interventions in Fiji, Solomon Islands and Vanuatu. Using climate change adaptation pilot sites in five countries, the Subregional Office initiated support to mainstreaming climate change into agriculture institutional frameworks in the countries. FAO in collaboration with InfoFish held a regional workshop with 12 Pacific Island Countries in Fiji, to improve the countries' capacities to engage GCF on project development. Meanwhile three GEF projects in the Pacific were approved to address land and forest degradation in Fiji and Kiribati and integrated sustainable land and coastal management in Vanuatu. Technical and operational collaboration is being provided through other global programmes such as the Emergency Centre for Transboundary Animal Diseases (ECTAD), Global Strategy, REDD+3 and Forest Law Enforcement, Governance and Trade (FLEGT).

<sup>&</sup>lt;sup>3</sup> Reducing Emissions from Deforestation and Forest Degradation, plus the sustainable management of forests, and the conservation and enhancement of forest carbon stocks

37. Building Regional Office capacity to improve performance: Technical capacities have been strengthened by adding new skills in the areas of agroecology, nutrition, disaster risk reduction and resilience, and value chains. Additional functions that now exist is the capacity for strategic planning, monitoring and evaluation, and knowledge management. Special measures have been put in place to support the organizational efforts towards implementing a stronger internal control framework and creating a safe work environment for all staff.

## The way forward: challenges and opportunities

38. Global dimension: Given the increasing frequency and gravity of external challenges and drivers, FAO's Decentralized Offices positioning in the medium term will require systematic review and analysis and a higher level of flexibility and adaptation, to fully respond to the expectations of Members.

39. In the 2020-21 biennium, FAO needs to pursue the following objectives to address challenges and harness new opportunities:

a. Shift towards a fully programmatic approach at decentralized level

40. By accelerating the shift towards a fully programmatic approach and by setting more tangible programmatic objectives at country and regional level, FAO will be able to leverage its global policy, regulatory, scientific and technical contribution in support of SDG attainment following the 2030 Agenda. This will also help FAO to influence the UNSDCF in the areas of its core mandate. This process will be assessed in the review of FAO's Strategic Framework, to take place in 2020<sup>4</sup>.

b. FAO's value proposition at regional level in the context of UN reform

41. By consolidating regionalized knowledge and technical capacity and engaging in the proposed "issues-based coalitions" which are networks of UN agencies' capacities across various thematic clusters, FAO will be able to lead the UN regional response to country needs in the areas of its core mandate and improve member countries' access to FAO's regional expertise. FAO's policy integration capacities and abilities at regional level, including through innovation and analysis would be key to succeed in this important and challenging dimension. FAO's strong capacity within the Global Programme of Action on Food Security and Nutrition (GAP) which addresses the special needs of the SIDS in the framework of the Samoa Pathway could serve as a strong asset to leverage FAO's leadership and comparative strength in countries served by Multi-Country Offices (MCOs) in the Pacific, Caribbean, Indian and Atlantic Oceans.

c. FAO's leadership on food security, agriculture and nutrition at country level

42. By capitalizing on the redesigned UN Cooperation Framework cycle to increase attention at national level to food security, agriculture and nutrition agendas, FAO will be able to influence the UN agenda at the country level, gearing towards a multidisciplinary, cross-sectoral approach. Another remaining challenge is the need to tighten the alignment of FAO's results framework to the SDG indicators and draw on monitoring and evaluation capacities to strengthen FAO's country-level monitoring and reporting tools.

d. Promoting inclusive partnerships at regional and country level

43. Promoting a strengthened and more results-oriented collaboration with other UN partners and especially RBAs, based on synergies and complementarities, is a prerequisite to address the challenges ahead and achieve the aforementioned objectives. FAO will also sharpen its focus on partnering with the private sector and public and private investors and on promoting innovative partnerships. The elaboration of a new vision for collaboration with the private sector, as requested by

<sup>&</sup>lt;sup>4</sup> CL 163/4

the FAO Council at its 163rd session in December 2019 (CL 163/REP paragraph 10.b) will have significant implications for shaping new partnerships at Decentralized Offices level.

e. Boosting operational capacity

44. As recommended by MOPAN (2017-18) and the Internal Review of FAO's Regional Structures (2019), in the 2020-2021 biennium FAO will continue to apply further action to boost operational efficiencies through the decentralization of key management and operational processes, increased delegations of authority, improved monitoring and evaluation and reporting capacities at the country level, with the objective of improving overall performance and programmatic delivery.

f. Promoting innovation at decentralized levels

45. In line with the vision of the Director-General, the Decentralized Offices network will be fully engaged in the FAO digitalization process and promotion of innovations in the field to accelerate progress in delivering the 2030 Agenda. The new corporate vision will be defined by a newly established Office for Innovation at FAO headquarters, which will consolidate and strengthen FAO's innovative ethos, including innovation of mind-set, innovation of cooperation models, and innovation of application by digitalization. The Decentralized Offices network will be at the forefront of efforts to promote innovative methodologies, approaches and programmes that can be sustainably scaled up in cooperation with national governments, private sector, academia and civil society. Taking into consideration that there is no global solution to some of the challenges that we are facing today, and there is no one size fits all, Decentralized Offices will play a valuable role in adapting innovative solutions and business models to the local context, and specific needs and demands of the countries.

#### 46. Regional dimension:

a. Shifting support upstream and across sectors:

47. As more countries in the region graduate to middle-income status, their needs and priorities are shifting with less demand for technical assistance and more requests for policy support and advocacy to address increasingly complex and interlinked problems, and transborder challenges. The Regional Office is also shifting its focus to upstream policy support and increasing normative work. This policy and normative work needs to be tailored to match the diversity in the region and therefore Decentralized Offices require flexibility, a dynamic skill set and alternative ways of working in order for FAO to help member countries achieve their development goals.

b. New partnerships for science, technology and innovation in agriculture

48. There is great opportunity for the Regional Office to promote knowledge exchange amongst member countries through facilitating the redistribution of the benefits of innovation and technology in the region. To be more systematic and coherent the Regional Office is developing a regional strategy to improve FAO's support to member countries to better harness digital agriculture with recommendations on the requisite technical skills and enabling environment needed for effective technical support.

49. In line with the Organization's efforts for closer collaboration with the private sector, the Regional Office and the Decentralized Offices are conducting a private sector mapping exercise, which in early 2020 will produce tangible proposals to take forward the collaboration with concretely identified partners at the different levels. Concrete areas of collaboration are under discussion with the World Business Council for Sustainable Development (WBCSD). The Regional Office has also formalized its relationship with private sector entities such as Satsure and Euglena, and is currently negotiating its membership of the Sustainable Rice Platform (SRP). The Regional Office is also negotiating with MARS and the CP Group, a private conglomerate in Thailand. For the first time, a private sector consultation has been featured in the Agenda of the FAO Regional Conference for Asia and the Pacific in 2020.

c. Developing business opportunities to invest in sustainable development

50. The Regional Office will continue to build its interactions with regional bodies to influence regional dialogue, policy frameworks and standards. Initiatives to strengthen South-South cooperation are being pursued, in line with the Hand-In-Hand Initiative. Through this modality, the Regional Office will strive to scale up experiences between the emerging economies as providers of funds and expertise to other countries in the region. Another promising opportunity is the collaboration with some countries which are not present in the region on topics of common interest such as forestry and fisheries. New funding sources will include engaging with the private sector. This will require more flexibility through further decentralization of responsibility, simplified administrative systems and a conducive environment in the Decentralized Offices as incentives to adopt new ways of working and keep abreast with the new initiatives in the Organization.

d. Expanding the Field Programme through resource mobilization

51. Resource mobilization will remain a challenge as more countries attain middle-income status. However, through concerted efforts, the region has witnessed a significant increase in resources through tapping into new funding sources such as GEF, GCF and blended financing, for example Agrinvest, etc. The Asia and the Pacific region has increased its portfolio of large-sized projects and GEF is currently the second largest donor to development projects in the region. The shift in portfolio faces some new challenges notably the use of new operational implementation modalities, and constraints on capacity in the Decentralized Offices to manage the significant field programme growth. As a first step, the Regional Office and headquarters have stepped up their efforts and have conducted several trainings for the Decentralized Offices.

e. UN Reform Agenda

52. The Regional Office has embraced the UN reform as an opportunity for achieving coherence with other UN agencies around the SDG Agenda. Decentralized Offices are dialoguing with the RBAs to formulate common inputs into the UNSDCF discussions and CCA formulation. Several FAO Decentralized Offices are participating in pilot exercises on various streams of the UN reform. The Regional Office is gradually building capacity to help support the Decentralized Offices, for example a surge capacity team has been constituted to assist with CPF alignment to the UNSDCF. From a regional dimension, the Regional Office will continue to engage with the regional UN Sustainable Development Group (UNSDG) Team to advance collaboration on transboundary and regional challenges and broaden FAO's leadership on analytical and normative work in mandated areas. The Regional Office in collaboration with relevant departments in headquarters will continue to actively engage to address the specificities in the region taking into account the capacity issues in the Decentralized Offices.

f. Support to the Small Island Developing States

53. FAO continues to pay special attention to the unique needs of the SIDS in the Pacific. The Subregional Office for the Pacific Islands (SAP) actively participates in the interagency working groups for the two MCOs which are developing a detailed plan to operationalize the proposed recommendations of the UN Secretary-General to enhance the support provided by UNDS to the SIDs. FAO has put forward the following proposals to increase its support to the SIDS: a) Support to the SIDS-specific Priority Theme Groups (PTGs) on climate change, blue economy and youth engagement and employment tailored specifically to support the SIDS; b) Provide a special contribution to the Samoa Pathway through an interregional initiative for SIDS to be built around three objectives: (i) enabling environments for food security and nutrition; (ii) sustainable, resilient and nutrition-sensitive food systems; and (iii) empowered people and communities for improved food security and nutrition; c) Support data and analysis on SDG 2 gaps and opportunities through the Hand-in-Hand Initiative;