



联合国
粮食及
农业组织

Food and Agriculture
Organization of the
United Nations

Organisation des Nations
Unies pour l'alimentation
et l'agriculture

Продовольственная и
сельскохозяйственная организация
Объединенных Наций

Organización de las
Naciones Unidas para la
Alimentación y la Agricultura

منظمة
الغذية والزراعة
للأمم المتحدة

FINANCE COMMITTEE

Hundred and Ninety-fourth Session

Rome, 7-11 November 2022

**Progress Report on Implementation of Recommendations of the
FAO Oversight Advisory Committee**

Queries on the substantive content of this document may be addressed to:

Ms Beth Crawford
Director, Office of Strategy, Programme and Budget
Secretary, Oversight Advisory Committee
Tel: +3906 5705 2298 - Email: [FAO-OAC-Secretariat @fao.org](mailto:FAO-OAC-Secretariat@fao.org)

EXECUTIVE SUMMARY

- This report outlines the progress by the Secretariat on implementation of recommendations made by the Oversight Advisory Committee (OAC).
- This report provides an update on reporting on implementation of recommendations of the Oversight Advisory Committee as included in *Annex 3* of document [FC 191/8](#) *FAO Oversight Advisory Committee - 2021 Annual Report*.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Finance Committee is invited to review the document, and provide its guidance as deemed appropriate.

Draft Advice

The Committee:

- **noted the status of implementation of the recommendations of the Oversight Advisory Committee;**
- **welcomed the progress made in closing recommendations of the Oversight Advisory Committee; and**
- **looked forward to further updates on progress in implementing recommendations at its next Session.**

1. This document provides a summary of the status of implementation of the Oversight Advisory Committee (OAC) recommendations at the time of writing this report as shown in *Table 1* and *Figure 1*.
2. *Table 2* presents details of the latest status of implementation of Oversight Advisory Committee recommendations.

Table 1. Status of implementation of Oversight Advisory Committee recommendations

Year	Recommendations issued	Recommendations Implemented	Recommendations In progress
2020	14	12	2
2021	9	6	3
2022 ⁽ⁱ⁾	5	1	4
Total recommendations	28	19	9

⁽ⁱ⁾ The 62nd meeting of the OAC (18-20 October 2022) had not taken place at the time of writing this report

Figure 1: Number of Oversight Advisory Committee recommendations

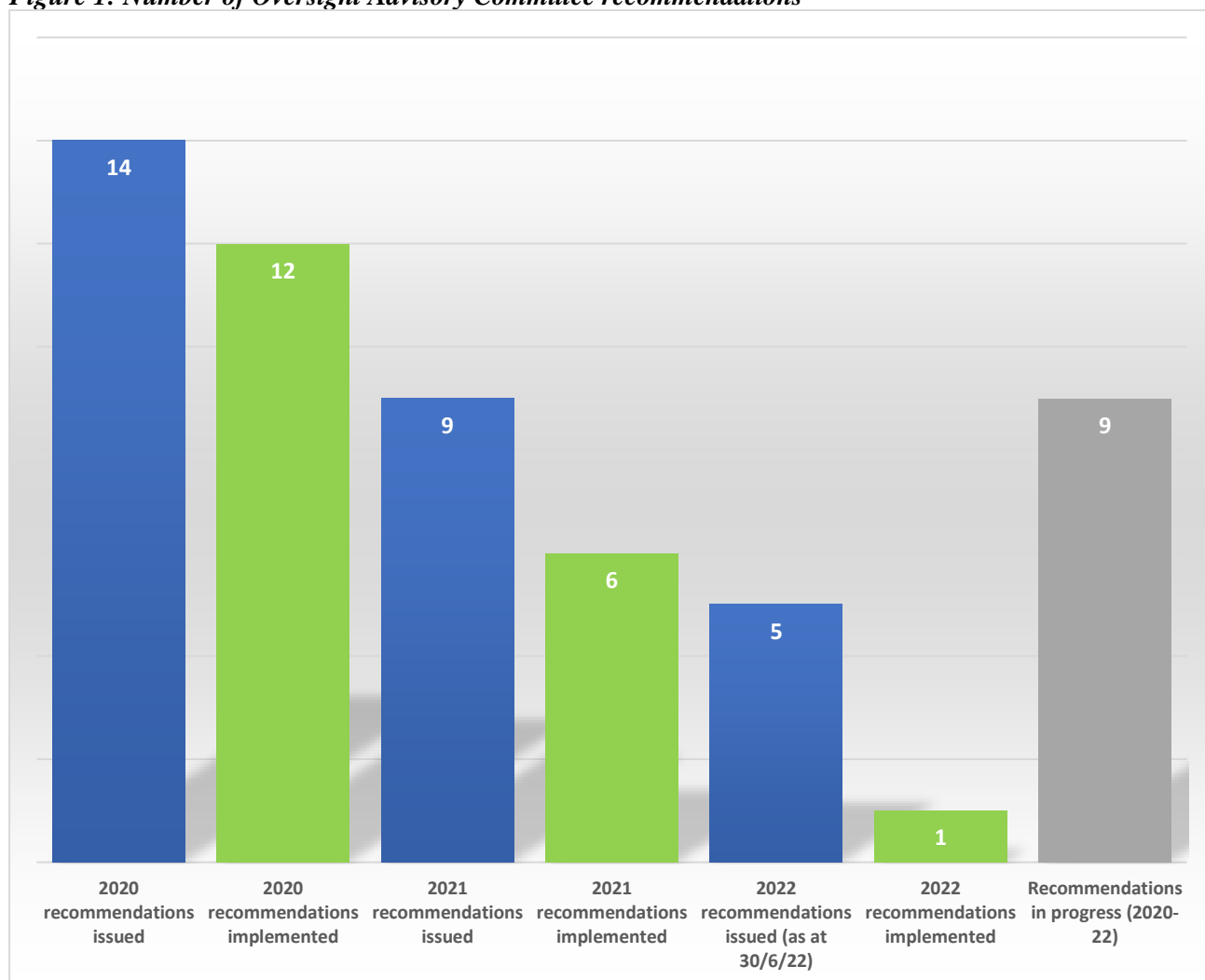


Table 2: Status of implementation of Oversight Advisory Committee recommendations

		● COMPLETED	● BEING FINALIZED	● ONGOING
INTERNAL CONTROL, RISK MANAGEMENT, PREVENTION OF FRAUD AND OTHER CORRUPT PRACTICES				
1.	OAC 59 October 2021	●		<p>OAC: In relation to the recommendations of the Audit Report on the Decentralized Offices' Governance Structure and Capacity, observed that the current model and structure of country offices required thoughtful review to reflect the realities on the ground in consultation with FAO's membership. It concluded that most findings in the audit report may be related to the adequacy of resource levels.</p> <p>FAO: An extensive review of the structure of Regional, Subregional and Country Offices was carried out between 2020 and 2022 under DDG-Thomas' guidance, with the objective of improving relevance, timeliness, cost-efficiency, technical quality, and effectiveness of the support provided to Members through Regional, Subregional and Country Offices: i) the regional offices' new organigrammes were approved and their implementation are at the final stage; ii) the restructuring of subregional offices is at an advanced stage. The results of the analysis of the country office business model carried out in 2020-21 (<i>Country Office Transformation, COT</i>) are broadly aligned with the findings and recommendations of the Audit report, and highlight the need for adequacy, predictability, flexibility, and continuity of resources for the Decentralized Offices. The COT will be fully integrated in the ongoing transformation of regional structures. The need for adequacy, predictability, flexibility, and continuity of resources is at the core of the COT. Following internal adjustments of the business model, FAO will be in a position to advance in addressing more structural audit recommendations that require detailed analysis of Country Offices' coverage and capacities, through engagement and wider consultation with the membership.</p>
2.	OAC 58 July 2021	●		<p>OAC: Recommended that management retain a clear focus on analysing the resources and processes for assessing implementation capacity of extrabudgetary resources and providing supervision over recipient executed projects.</p> <p>FAO: Completed. Management has recognized limitations in implementation and administrative oversight capacity and processes as important risk areas for successful project implementation, in particular where the actual execution is partially or largely done by an implementing or operational partner. As a first step, a new country annual reporting procedure has been developed, with a much improved monitoring dashboard to signal potential issues at an early stage. Furthermore, following AUD0122 (Audit of Governance and Implementation of GEF portfolio, January 2022), PSS and OCB are implementing additional measures, including the posting of Regional Operational Partnership Specialists in all regions; a tool to determine technical support needs of potential operational partners; another tool to determine country office capacities to manage and oversee large GEF or GCF projects; and an indicator based protocol for focused monitoring and oversight of Regional and Country offices' GEF portfolios.</p>
INTERNAL AUDIT AND INVESTIGATIONS				
3.	OAC 61 June 2022		●	<p>OAC: Suggested that OIG support its requests for increased funding with relevant benchmarking of the means available against a comparative review of the broader audit and investigation community.</p> <p>FAO: Ongoing. OIG is already in the process of collecting relevant budget and staffing information from its sister agencies. If necessary, a survey will be used.</p>
4.	OAC 61 June 2022		●	<p>OAC: Noted with concern the more than 400 open agreed recommendations and invited to consider the value of drawing a top 10 recommendation list across all audit reports targeting the major institutional risks.</p> <p>FAO: Ongoing. OIG will share the results of this analysis with the OAC at their meeting in October.</p>
5.	OAC 55 July 2020		●	<p>OAC: Recommended continued attention by FAO on developments within the UN system concerning the provisions for a process and modalities for allegations of misconduct against a Director-General.</p> <p>FAO: The 170th Session of the Council endorsed the request for updates made by the Finance Committee at its 191st Session. Management will be presenting an update to the CCLM and the Finance Committee at their upcoming Autumn Sessions. Work to develop procedures is ongoing, coordinated and harmonized with the broader UN System, and</p>

● COMPLETED		● BEING FINALIZED		● ONGOING	
			taking into consideration the efforts of other Specialized Agencies, as reflected in documents CCLM 117/4 and FC 194/7.		
ETHICS AND OMBUDSMAN FUNCTIONS					
6.	OAC 58 July 2021	●	<p>OAC: Noting that many units (OIG, ETH, OMB, HR) were involved in the management of the internal justice system, recommended a more cohesive, holistic view in analysing the root causes and observations of the individual units to identify the causes and potential remedies for increases in the number of cases relating to workplace integrity issues.</p> <p>FAO: Completed. OIG, ETH, OMB, CSH, as well as LEG are part of the Integrity Network which regularly meets to discuss and harmonize the Organization's approach and activities on integrity matters. One of the ongoing activities is the collection and analysis of data by OIG, ETH, OMB and CSH ultimately aiming to streamline the data collection and analysis. Periodic briefings on the results of the data analysis have already started and will be regularly presented to Management.</p>		
7.	OAC 55 July 2020	●	<p>OAC: Recommended the Ethics Office assume the responsibility for management of the gifts policy.</p> <p>FAO: The review of the gift policy is ongoing and is expected to be finalized in early 2023.</p>		
8.	OAC 59 October 2021 AC 54 February 2020	●	<p>OAC: Suggested to establish a mechanism to take the pulse on appreciation of the functions and measure success, such as an occasional survey. [The Committee requested to conduct a survey on satisfaction with the Ethics Office two years after its full establishment (2022) AC 54].</p> <p>FAO: The Ombudsman will work with the Ethics Office to undertake a pulse survey to assess the value of the functions and how they are perceived by FAO personnel. ETH has subscribed to Customer Thermometer and has received a number of responses that indicate the level of satisfaction with the service.</p>		
HUMAN RESOURCES					
9.	OAC 61 June 2022	●	<p>OAC: Was concerned that the majority of cases presented to OMB were systemic issues related to lack of respect and incivility and strongly recommended that FAO invest in training managers to acquire the skills needed to prevent such situations. It further recommended to include such training as mandatory within the first three years of appointment of employees in the managerial category.</p> <p>FAO: Ongoing. In response to feedback provided through the 2019-2020 Employee Satisfaction Survey (E2S) and through the subsequent corporate action plan, efforts were implemented over the past year to further promote an ethical, inclusive and respectful workplace through the implementation of a comprehensive suite of training, targeted to employees and managers at different levels (e.g. new FAOR Briefing Programme launched in 2022).</p> <p>The training suite includes mandatory training for all employees on the Organization's core values, including ethics and integrity, prevention of harassment (zero tolerance), and diversity and inclusion, to mention a few, (completion is required within the first 10 days of employment).</p> <p>The updated training suite also includes several new offerings for managers such as:</p> <ul style="list-style-type: none"> ● a mandatory briefing programme for FAO Representatives, who are new to the role, which emphasizes the importance of a diverse and respectful work environment and their role as people managers; ● various management and leadership programmes for entry/mid-level managers that focus on expanding self-awareness, inclusive leadership and effectively managing teams; ● executive programmes for senior managers, including a 360 assessment for development, based on FAO/UN leadership competencies, and individual coaching which includes topics such as unconscious bias, psychological safety, managing difficult conversations, providing constructive feedback, career conversations, micro-aggressions, advancing gender and racial equity, among others. 		

● COMPLETED		● BEING FINALIZED	● ONGOING
			Additionally, there are regular briefing sessions for senior managers on workplace conduct issues delivered by OIG and attended by the Director-General.
10.	OAC 61 June 2022	●	<p>OAC: Suggested to review the 360° performance system to also include people who are not self-selected.</p> <p>FAO: Completed. As part of FAO's Performance Management and Evaluation System (PEMS) carried out annually, a mandatory multisource assessment process was piloted in 2020 for all FAORs as part of the PEMS Year End Appraisal and further extended to senior managers at the D1/D2 level in 2021 to gather feedback from internal and external colleagues on the manager's performance, including the achievement of work plan objectives and demonstration of competencies. For FAORs, this includes raters that are not self-selected, such as the UN Resident Coordinator, in accordance with the Management Accountability Framework (MAF) of the UN. All senior managers (FAO Representatives, Directors and Deputy Directors) have extended raters, e.g. up to six direct reports and a second reporting line (when applicable). Supervisors are required to include up to six direct reports as well. While the list of raters in the multisource assessment process are self-selected by the staff member, the final decision on raters is jointly agreed with the manager's supervisor and documented/approved in the PEMS.</p> <p>In addition, FAO has also rolled out 360 assessment and coaching for developmental purposes as part of its executive leadership programmes.</p>
11.	OAC 59 October 2021	●	<p>OAC: Recommended that the large volume of HR audit recommendations be clustered and grouped by underlying cause to promote systemic remedies.</p> <p>FAO: Completed. All audit recommendations (as well as other risk areas, UN strategies, FAO action plans, etc.) have been integrated in the HR strategic action plan, which have grouped activities addressing issues and risks by outcomes and outputs. In addition, the corresponding Annual CSH work plan with more detailed activities refers to the specific audit recommendations and timelines for ease of reference. Most of the outstanding audit recommendations refer to recruitment and selection of staff and NSHR, which will be addressed through the updated policies as per the HR Strategic Plan.</p>
12.	OAC 59 October 2021	●	<p>OAC: Supported a suggestion to assigning HR specialists under the Organizational streams for dedicated advice.</p> <p>FAO: Ongoing. CSH is re-aligning the CSH team with an emphasis on efficiency and strategic delivery of business support and client service and will have the staffing teams aligned/dedicated by organizational stream, which will be in place by the end of 2022. A number of transactional functions are being decentralized to the Shared Services Centre (SSC) as part of this process.</p>
13.	OAC 61 June 2022 OAC 59 October 2021	●	<p>OAC: Agreed on the need to rationalize categories of employment and contractual modalities and suggested this be brought forward in coordination with other UN entities.</p> <p>FAO: Ongoing. FAO continues to follow the work at the CEB/UN level regarding the review of contractual modalities, and will contribute as appropriate to relevant discussions of the International Civil Service Commission (ICSC). On the shorter term, FAO is conducting a first review of the non-staff/affiliate workforce guidelines and procedures, with a view to streamline procedures and improve conditions of service where possible (see also above on audit recommendations).</p>