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para la
Agricultura
y la
Alimentación

COUNCIL

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REPORT OF THE NINETY-SEVENTH SESSION OF THE PROGRAMME COMMITTEE

Rome, 21 - 25 May 2007

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REPORT OF THE NINETY-SEVENTH SESSION OF THE PROGRAMME COMMITTEE

21 – 25 May 2007

Introduction

1. The Committee submits to the Council the following report of its Ninety-seventh Session.
2. The following Members were present:

Chairperson: Mr V. Heard (United Kingdom)
Vice-Chairperson: H.E. M. Arvelo Caamaño (Dominican Republic)
Members: Mr A.R. Ayazi (Afghanistan)
Ms J. Barfield (Australia)
Mr J. Melanson (Canada)
Mr R. Parasuram (India)
Ms Z. Budhan (Jamaica)
H.E. A.A. Zaied (Libyan Arab Jamahiriya)
Mr Y. Olaniran (Nigeria)
Mr R. Recide (Philippines)
Ms V.B. Titi (South Africa)

Item 1: Adoption of the Agenda¹ and Timetable

3. The Agenda and Timetable for the meeting were approved.

Item 3: Summary Programme of Work and Budget 2008-09²

4. The Committee recognised that, in accordance with the specific guidance of the Council, the SPWB 2008-09 aimed primarily at presenting proposals to restore the financial health of the Organization. It further recognised that the document indicated the resources for a “maintenance budget” in the next biennium, that is continuing the substantive priorities already endorsed by the membership and identifying anticipated cost increases and implications for incremental costs. The Committee understood that the expression “maintenance budget” referred to the total resource level required to continue the present programme of work, without precluding changes in resource allocation patterns and realignment of activities among programmes, while awaiting the outcome of the Independent External Evaluation (IEE) of FAO.

5. The Committee appreciated the oral presentations by the concerned senior managers of the Secretariat about the main highlights of the sessions of the Technical Committees held in the early part of 2007, as well as current or planned activities in the various departments aimed at responding to identified challenges. The Committee noted that the recommendations of the Technical Committees involving additional work had to be seen against the restricted resource background as had been observed by many of the senior managers’ presentations.

6. The Committee agreed that it was important for FAO’s Programme of Work to reflect important challenges, in particular adequate reflections on the programmatic aspects of thematic areas like, but not limited to, climate change and bioenergy. The Committee also felt that there

¹ PC 97/1; PC 97/INF/1

² CL 132/3

should be no deviation from the strategic objective of attainment of the Millennium Development Goals. It expected this effort to translate primarily into adjusted emphases to current programmes without reducing work on agreed substantive priorities. The Committee also stressed the need to pursue key multidisciplinary thrusts such as knowledge management and capacity building at national and regional levels.

7. The Committee recalled that in endorsing the revised PWB 2006-07 at their sessions of May 2006, the Programme and Finance Committees had identified critical funding gaps affecting a number of areas of keen interest to the membership (which were also addressed in the SPWB 2008-09 document under section II.D). The Committee confirmed the priority status attached to these areas and the consequent need to address these funding gaps to the maximum extent possible in the next biennium, including through opportunities for strategic extra-budgetary support.

8. In this light, the Committee looked forward to the preparation of full PWB proposals, whereby the Secretariat would *inter alia* seek to distil and reflect guidance from the Technical Committees of the Council, further analyse the results of evaluations and auto-evaluations, draw on experience with partnerships and continue to explore ways to mitigate resource gaps in priority areas. It welcomed the intention to take a first step toward a more strategic approach to resource mobilisation through an integrated presentation of Regular Budget and extra-budgetary resource requirements for ongoing and new activities in the full PWB.

9. The Committee recommended that the full PWB document expand on the analysis of issues presented in the Summary, include programme narratives within the relevant chapters and show proposed resource allocation patterns down to programme entity level. It also felt it useful that the PWB differentiate through innovative presentation methods at programme level between ongoing activities and what could be considered entirely new work. In considering the important thematic areas outlined in para. 44, the Committee noted that these would be addressed in the full PWB.

10. The Committee emphasised that the Independent External Evaluation (IEE) of FAO was likely to present recommendations with potentially far-reaching implications on the substance of work and relative priorities, and as such offered an excellent opportunity for the membership to shape future strategic orientations for the Organization. Accordingly, the Committee felt that it was important not to prejudge the IEE outcome and therefore drew the attention of the Council to the fact that it had not addressed at the present session planned activities and priorities in the usual manner and degree of detail.

Item 4: Evaluation

A) EVALUATION OF FAO'S WORK IN COMMODITIES AND TRADE³

11. The Committee appreciated the evaluation methodology and process, including the involvement of the Peer Review Panel in designing the terms of reference and scope of the evaluation, as well as reviewing the draft report. The evaluation should, however, have given greater attention to identifying the outcomes and impacts of FAO's work, and the report could have been more pro-active in recommending priorities and identifying issues.

12. The Committee found the management response to be both positive and useful. It requested management to provide a prioritised and time-bound strategy statement on FAO's work in commodities and trade for a future session. This strategy should be discussed in the Committee on Commodity Problems (CCP) including priority themes and indicate the distribution of work between the various units of the Organization and the approach for internal and external partnering, with due attention to partnering with institutions in developing countries.

³ PC 97/4 a); PC 97/4 a) Sup. 1

13. The Committee agreed with the recommendations of the evaluation that work should concentrate on the analysis of longer-term trends. It also agreed that FAO's use of models should be restricted to COSIMO⁴, and for work with other models, partnerships should be optimised. It further supported FAO's role in analysing the implications of changes in trade instruments and the trade regime for developing countries, while noting that such analysis should be neutral. It also drew management's attention to some of the issues the Committee had identified during its discussion where prioritisation would be important in the strategy, including:

- a) more focus on the dissemination strategy for the Organization's products and a results-based culture and system which gained feedback on the outcomes from the use of those products;
- b) the emphasis to be given to developing national commodity markets and value chains that help in building capacity for engaging in international markets and trade;
- c) the emphasis to be given to development of institutional and human resource capacity at the national level, commodity and trade analysis, and discussion of the issues in the inter-governmental bodies;
- d) focus of work on a limited number of identified themes which would often need to be tackled on an inter-departmental basis, noting that EST would not be the lead division for all (for example bio-energy); and
- e) the role of the Inter-governmental Commodity Groups (IGGs) and the CCP, where it considered that there was further opportunity to streamline the work of IGGs and make it more meaningful.

14. The Committee considered that there were risks for the politicisation of the CCP from holding its meetings in Geneva, a possibility suggested by the evaluation (while noting the rationale in the evaluation report for this, in order to achieve closer inter-change between agricultural and trade specialists and between FAO, UNCTAD and WTO on agricultural commodity trade).

B) REAL TIME EVALUATION OF THE FAO EMERGENCY AND REHABILITATION OPERATIONS IN RESPONSE TO THE INDIAN OCEAN EARTHQUAKE AND TSUNAMI⁵

15. The Committee appreciated the thoroughness and quality of the evaluation. It also expressed its satisfaction with the comprehensive and positive management response. It noted the usefulness of real-time evaluations for participatory learning and the immediate application of lessons by management. At the same time, an independent *ex-post* evaluation would be important to assess the sustainable benefits in terms of livelihoods and capacity building.

16. It concurred with the evaluation that, overall, FAO made a commendable response to the Tsunami in a challenging environment where all organizations faced major difficulties. The difficulties in moving from relief and rehabilitation to development cannot be dealt with by FAO alone but should be addressed together with national governments, donors and partners in the field. The Committee recognised that, while FAO should seek to rebuild capacities for sustainable livelihoods, "building back better", donor emphasis was often on a short-term response. National NGOs could be important partners not only during emergencies, but also for sustainable rehabilitation.

17. The need for FAO to assist countries in establishing sustainable disaster prevention and response capacity especially at the field level was emphasised. It was regretted that donors were often less prepared to support this than emergency operations.

⁴ Commodity Simulation Model

⁵ PC 97/4 b); PC 97/4 b) Sup. 1

18. The Committee acknowledged that the Special Fund for Emergency and Rehabilitation Activities (SFERA) was a potentially useful mechanism for donors to support more programmatic and timely interventions by FAO, while the relatively little conditionality also offered opportunities to reduce administrative costs.

19. The Committee appreciated the progress being made in integrating livelihood analysis and the livelihoods approach into FAO's emergency's response. Overall, the Committee highlighted that some of the lessons learned went beyond the Tsunami disaster and also applied to other disasters, including hurricanes, and spanned across regions. This called for strengthened partnerships with other international and regional technical organizations working on similar issues.

20. FAO's role as a cluster lead was supported for the multilateral system, including a shared responsibility with WFP for food and agriculture. The Committee emphasised that FAO's comparative advantage lay in coordination and technical support, while recognising that some operational inputs were also important to fill gaps in assistance being provided by others. The provision of production inputs also gave FAO leverage as a coordinator.

21. The Committee underlined the need for management to address adequately operational bottlenecks identified by this evaluation. Some progress has been made, for example the new unified project document format, nevertheless Members gave practical examples of FAO inputs arriving too late for the cropping season. In particular, the Committee was not fully convinced that administrative changes such as delegation of authority including to FAORs, recommended by the evaluation, had been adequately addressed. It emphasised the importance of arrangements to deploy both technical and operational staff quickly when an emergency occurred. In line with the evaluation's recommendation, the Committee urged management to further explore procurement and delivery options with WFP, while FAO provided the technical input.

C) EVALUATION OF TELEFOOD - EXPANDED MANAGEMENT RESPONSE⁶

22. The Committee discussed the expanded management response which addressed the issues and recommendations of the evaluation of TeleFood. Most Members considered the response to be fully satisfactory. Some Members found the response to be unconvincing and felt it did not fully address the issues raised at the previous Programme Committee meeting including criteria to guide advocacy and whether TeleFood projects should continue as separate entities. The Committee appreciated that World Food Day, TeleFood and the FAO Ambassador's Programme have been consolidated and integrated into the Communication Division of the Knowledge and Communication Department, in line with the evaluation recommendations.

23. The Committee recognised that advocacy is a function of the Organization. There were different types of advocacy targeting varying audiences, including through FAO flagship publications and advocacy for the general public. However, some Members questioned the efficacy of advocacy efforts for the general public. TeleFood's advocacy was of the latter type, and fund-raising was a by-product of such advocacy. The Committee emphasised the need for an advocacy and communication strategy, which it would wish to review at a future session. The issues of both advocacy and of fund raising would be addressed by the IEE, and the development of TeleFood's advocacy strategy should take account of the outcome of the IEE.

24. The Committee appreciated the Secretariat's efforts in addressing the need for improving the targeting, impact and effectiveness of TeleFood projects. Most Members expressed the view that well-designed small-scale projects assisted by TeleFood can contribute positively to household food security. Some Members however questioned the Organization's comparative advantage and were concerned about the cost-efficiency of undertaking small stand-alone projects noting the high level of overheads and referred to the evaluation's conclusion that advocacy and

⁶ PC 97/4 c)

fund raising should be for priority field programmes of FAO. The Committee appreciated that TeleFood project appraisal and approval were proposed to be decentralized to FAORs.

25. The Committee noted that priority in allocating funds was proposed to be given to LIFDCs, LDCs, LLDCs and SIDS, and within countries, to households in poor communities which are food insecure and lacking in assets.

26. The Committee further noted the proposal to systematically ensure synergies and partnerships with mainstream FAO programmes, such as SPFS or NPFS and other FAO projects, as well as projects of other UN agencies, e.g. IFAD, WFP, UNDP, or even large national projects, to facilitate monitoring and supervision. The headquarters' PPRC review of TeleFood projects would also be discontinued. It was informed that management intended to implement these changes soon after the Council had considered the Committee's report.

**D) TOWARDS A MORE EFFECTIVE RESPONSE TO DESERT LOCUSTS
AND THEIR IMPACTS ON FOOD SECURITY, LIVELIHOODS
AND POVERTY - MULTILATERAL EVALUATION OF THE 2003-05
DESERT LOCUST CAMPAIGN -
EXPANDED MANAGEMENT RESPONSE⁷**

27. The Committee appreciated the management response as a major improvement on the former version of the document presented at its Ninety-sixth Session. The Committee also welcomed the comments and reactions of the evaluation team leader, Dr. Lukas Brader. It expressed, however, its regret that the management response had been made available to the Committee at a very late stage and appreciated the management's assurance that the issue of how to ensure timely and adequate responses to evaluations was being addressed by the internal Evaluation Committee.

28. The Committee particularly appreciated that FAO was now taking a livelihoods approach to its work in Desert Locusts. It agreed with the evaluation team leader that the Organization needed to prioritise more clearly in its locust activities and agreed that these needed to maintain a high priority within the Organization's technical programmes, as this was a case where there was not an alternative supplier to FAO.

29. It was recalled that the evaluation had been of both FAO's response to the Desert Locust upsurge and that of affected countries and donors. It urged FAO to take a lead with all partners in ensuring follow-up to the evaluation and considered that the Desert Locust Control Committee would be important in this.

30. As well as implementing the recommendations addressed at the Organization, FAO should support the implementation of recommendations to partners. Given the high strategic importance of the report, the Committee urged donors to give the evaluation recommendations the same consideration at the policy level as was being given in FAO. Locust emergencies were transboundary, and a regional approach needed to be promoted, capacities built and formal arrangements developed to facilitate countries working together.

31. The Committee noted that the Central Emergency Response Fund (CERF) could now be accessed for locusts and for other sudden onset emergencies from pests and diseases. It would also be desirable to develop a window which was not tied to requests from individual countries, in view of the transboundary nature of these threats. Donors in general should be more flexible in allowing funds to be reallocated between activities and countries with the movement of pests.

32. The Committee agreed with the management response that more innovation in Desert Locust control was required, including a wider use of bio-pesticides. The Committee requested

⁷ PC 97/4 d)

FAO to study and report on Desert Locust use as food and/or feed, which would be affected by the use of synthetic pesticides.

33. The Committee recognised the central importance of capacity building, including both formal and practical education and training in locust surveillance and control considering the livelihoods perspective as well as environmental and health issues.

34. The Committee noted that, as in its consideration of the Tsunami evaluation, there had been considerable operational difficulties in the Desert Locust Campaign. Such difficulties were apparent from several evaluations and, although some progress was evidently being made, serious problems remained. As the IEE would not be in a position to deal in detail with managerial, administrative and operational processes and procedures, the Committee requested the Evaluation Service to undertake a process evaluation, preferably with the support of the Office of the Inspector General. This evaluation should analyse the nature of the operational constraints and the risks associated with any procedural changes. It should also examine the potential for increased partnership with other organizations, in particular WFP.

35. A progress report on the implementation of the recommendations of this evaluation should be presented to the Programme Committee meeting in May 2009.

E) ROLLING PLAN OF WORK FOR EVALUATION IN THE PERIOD 2006-09^s

36. The Committee endorsed the Rolling Plan of Work for Evaluation in the period 2006-2009. It was stressed that the plan would need to be re-examined in the light of the outcomes of the Independent External Evaluation of FAO, which could give rise to additional evaluation needs. The Committee also:

- a) emphasised the importance of the evaluation of FAO's effectiveness in individual countries. It considered that future country evaluations should include in the sample some middle-income countries in addition to LDCs. Although a complex undertaking, a country evaluation might be undertaken jointly with other agencies, including the Rome-based agencies. This would facilitate the assessment of the contribution of FAO in the multilateral context and also provide evaluative evidence on the contribution of the UN system in food, agriculture and rural poverty;
- b) stressed the desirability of undertaking a coordinated evaluation with WFP of the totality of the food and nutrition information work of the two organizations;
- c) considered that an evaluation of one FAO department as a whole remained desirable but considered that the choice of department should await the outcome of the IEE;
- d) noted that there would be a need to evaluate the performance of the reform of the Subregional Office structure.

37. The Committee welcomed the contribution of the FAO Evaluation Service to UN system-wide evaluation and in particular stressed the importance of the evaluation of the UN pilots for delivering as one. It thus endorsed the Evaluation Service devoting up to 15 percent of its resources to UN system-wide evaluation work.

38. In reviewing the plan, the Committee noted that the IEE had made a separate assessment of the evaluation function in FAO. It requested that it be given the opportunity to review this evaluation of the evaluation function at its Ninety-eighth Session in September of this year which would take place after the release of the draft report of the IEE.

^s PC 97/4 e)

F) CONDUCT AND RESOURCING OF INDEPENDENT EVALUATION OF EXTRABUDGETARY WORK⁹

39. The Committee reviewed the arrangements being introduced for the conduct and resourcing of the independent evaluation of extra-budgetary work. It noted that evaluation coverage of the extra-budgetary programme had not been fully comprehensive and that this restricted the governing bodies from exercising their oversight function. It agreed that such evaluation should increasingly be undertaken on a programmatic and country basis, except for large projects of technical cooperation for development which should continue to be evaluated individually. The Committee thus recommended to the Council that it endorse the following arrangements:

- a) the inclusion of a mandatory budget line for evaluation in all extra-budgetary projects on a published scale. Two trust fund pool accounts would be established for this purpose: one for emergency and rehabilitation projects, and another for technical cooperation for development projects. The exception to this would be those projects of technical cooperation for development over US\$ 4 million which would continue to be evaluated separately; and
- b) the institutionalisation of the arrangements for evaluation of emergency and rehabilitation programmes and the extension of similar arrangements to projects of technical cooperation for development. While respecting the independence of evaluation and the role of the Evaluation Service in this, these institutional relationships will include comprehensive dialogues with stakeholders, in particular funders and partner countries, on the selection of evaluations and their conduct.

Item 5. UN Joint Inspection Unit Reports

CL 132/INF/10: JIU/REP/2005/7: Policies of United Nations System Organizations Towards the Use of Open Source Software (OSS) for Development

CL 132/INF/11: JIU/REP/2006/4: A second review of the implementation of HQ agreements concluded by UN system organizations: provision of HQ premises and other facilities by host countries

CL 132/INF/12: JIU/REP/2006/5: Towards a UN humanitarian assistance programme for disaster response and reduction: lessons learned from the Indian Ocean Tsunami disaster

40. The Committee took note with interest these three UN Joint Inspection Unit Reports and the Director-General's comments thereon, and considered CL 132/INF/12 under Item 4 b): Real Time Evaluation of the FAO Emergency and Rehabilitation Operations in Response to the Indian Ocean Earthquake and Tsunami.

Item 6. Any Other Business

41. There was no discussion under this agenda item.

⁹ PC 97/4 f)