منظمة الأغذية
والزراعة
للأمم المتحدة

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
Agricultura
y la
Alimentación

FINANCE COMMITTEE

Hundred and Thirty-fifth Session
Rome, 25 – 29 October 2010
Language Services and Funding Options

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EXECUTIVE SUMMARY

➢ In follow-up to reviews by the Finance Committee (documents FC 109/29, FC 110/28 and FC 115/18), the 136th Session of the FAO Council (15-19 June 2009) emphasized the need to further improve the FAO language services in terms of quantity and quality. To this end, it requested that the funding model for the FAO language services be changed from back-charging internal users for the cost of the service to incorporation into a dedicated provision within the regular budget and that an associated study be conducted in consultation with relevant Members. Subsequently, the 88th Session of the CCLM in September 2009 requested that the study also cover the need to ensure quality and consistency of translation and take into account the incremental workload resulting from direct outsourcing by the secretariats of the bodies concerned

➢ The Council, Conference and Protocol Affairs Division (CSC) established an internal FAO Steering Committee of the language services including representatives of other units concerned, tasked with clarifying the scope of the study, providing support and monitoring progress.

➢ This document reports on the current status of the ongoing study on language services. The study has identified a number of possible measures to improve the quality, consistency and availability of language services. Some of the measures, noted below, would have financial implications that are in the process of being quantified in the context of the ongoing study.

➢ One set of measures with possible financial implications relates to the allocation of dedicated funding for the normative functions carried out by language service staff currently funded by the back-charging mechanism, namely:
  • planning, scheduling and normative functions in the interpretation service;
  • linguistic validation, roster maintenance and quality control functions in the translation service.

➢ Other measures, involving the centralized management of translation contracting and the pre-translation editing of original texts to improve their quality and the subsequent quality of translation may also require the Organization to allocate additional funding.

➢ Based on the findings of the study and on guidance received from the Committee, measures to consolidate and improve the capacity, quality and efficiency of the FAO language services will be agreed by management and presented in the PWB 2012-13.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

➢ The Committee is invited to note the findings and proposals of the ongoing study and to provide any comments and guidance that it may wish to give in this regard.

Draft Advice

➢ **The Finance Committee took note of the results of the ongoing study on language services and of the possible measures for improvement. It looked forward to the finalization of the study to permit further consideration of improvement measures in the light of quantified financial implications in the PWB 2012-13.**

I.   Introduction

1.   In follow-up to reviews by the Finance Committee (documents FC 109/29, FC 110/28 and FC 115/18), the 136th Session of the FAO Council (15-19 June 2009) emphasized the need to further improve the FAO language services[1] in terms of quantity and quality. To this end, it requested that the funding model for the FAO language services be changed from back-charging internal users for the cost of the services to incorporation into a dedicated programme within the regular budget and that an associated study be conducted in consultation with relevant Members. Subsequently, the 88th Session of the CCLM in September 2009 requested that the study also cover the need to ensure quality and consistency of translation and take into account the incremental workload resulting from direct outsourcing by the secretariats of the bodies concerned.

2.   The Council, Conference and Protocol Affairs Division (CSC) set up an internal FAO Steering Committee of the language services and representatives of other units, tasked with clarifying the scope of the study, providing support and monitoring progress.

3.   An external consultant was recruited to undertake preliminary research, categorize stakeholders, conduct interviews and draft an interim report. As part of this preliminary stage, the Chairpersons of Regional Groups were contacted for discussions. Meetings with representatives of the G-77, Near East Group and GRULAC took place during May 2010.

4.   On the basis of the interim report, the Steering Committee has conducted an ongoing study and has identified a number of issues that are hindering the quality and availability of language services. These issues are addressed below. The programmatic and financial implications of actions required are being examined by the Organization for incorporation into the Programme of Work and Budget (PWB) that is to be submitted to the Finance Committee in March 2011.

5.   This document presents a summary of findings and conclusions for this stage of the study, as follows:
   - Current funding arrangements;
   - assessment of current FAO Language Policy (for meetings and official documents);
   - measures to improve the quality and consistency of language services; and
   - possible new financing modalities for language services.

6.   The Finance Committee is invited to note the findings and proposals of the study and to provide any comments or guidance that it may have in this regard.

II.   Current funding arrangements

7.   The majority of Regular Programme funds related to language services are not earmarked in FAO's budget for these services. They are instead mainly part of a fully fungible allotment provided to divisions to flexibly select the most effective means to deliver organizational results. The budgetary allocations of meetings, documents and publications are thus largely spread across the FAO divisions and organizational results that anticipate requiring the use of such services to deliver their programmes on the basis of their programme of work/meeting planning. Divisions are free, with some limitations[2], to utilize the internal language services or to contract external

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[1] Language services are defined as interpretation and translation services for various types of meetings and for general communication and dissemination of information.

[2] FAO internal policy stipulates that originators cannot directly outsource interpretation or translation services for certain categories of document (official meeting documentation, flagship publications and official correspondence). Divisions are free to directly outsource translation of other publications, web sites and project documents.

providers directly. Apart from interpretation costs (identified in a PWB annex), there is no overall view of funds related to language services. Allotments are fully fungible and expenditures to external providers are not easy to identify in the Organization's financial accounts.

8.   Regular Programme funds currently included in the PWB on an earmarked basis for language related services are as follows:

a)   Dedicated funds are assigned to the Meeting Programming and Documentation Service (CSCM) to cover terminology management, including identification of areas requiring terminology development, terminology extraction from existing documents and literature, and the creation of terminology records including definitions. Linguistic validation in collaboration with language professionals (staff translators and interpreters) is not directly covered by these funds.

b)   Dedicated funds are also assigned to CSCM to cover those normative duties carried out by the Interpretation Group which are not directly related to the service provided, such as management of the roster of interpreters, implementation of the CEB/AIIC agreement[3], and financial reporting and monitoring.

c)   Special Allocation for the Improvement of Language Coverage: in 1999 the Conference approved measures to achieve a more balanced use of languages, including the allocation of a special provision for urgent requirements. This provision has been maintained in subsequent PWBs.

d)   Chinese publications programme: A selection of publications is produced in Chinese in cooperation with Chinese institutions with earmarked funds within the regular budget fund. Under this arrangement, titles proposed by FAO are prioritized by the Chinese Government.

e)   Funds are provided to the Publishing Policy and Support Branch (OEKP) to establish an enabling environment for the collection and sharing of technical information through cross-media, multilingual, interactive publishing.

9.   Project-related funds for meetings and documentation financed through Trust Funds: divisions are free (with the same limitations as for the regular programme) to utilize the internal language services or to outsource directly. As in the case of regular programme funds, there is no consolidated programme of language requirements.

10.   Special project (Trust Fund) to facilitate full implementation of Russian in FAO: since 2009 the Russian Federation has financed a three-year project to support translation and interpretation into and from Russian.

Cost of language services

11.   Translation and interpretation services are covered by a user back-charging mechanism so that requesting divisions and programmes pay for the services provided. Corresponding rates are established each biennium on the basis of projected volume of translation and interpretation and projected cost, the aim being to close the biennium accounts at zero balance. For these services:

- Rates for translation include all staff costs and the cost of all processes related to translation: preparation, translation, revision, typing, proofreading and layout.
- Rates for interpretation in Rome cover staff and consultants' salary, travel costs and daily subsistence allowance (DSA). For field meetings, all travel-related costs are borne directly by user divisions.

12.   The biennial rates are basically an average of estimated incoming volume divided by expected costs. The Organization has sought to contain the rates by streamlining processing, reducing staff and making limited use of internationally-recruited consultants.

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[3] The CEB/AIIC agreement is a binding accord between the United Nations Chief Executive Board (CEB) and the Association internationale des interprètes de conférence (AIIC), which governs the working conditions of interpreters and is renewed every five years.

13.   While the current funding mechanism ensures that the cost of the service is charged to divisions in proportion to use, a key disadvantage is that some of FAO's normative work carried out by language service staff , including terminology and management of the roster of external consultants, is also charged to the divisions using the language services.

14.   The back-charge funding mechanism permits flexibility of recruitment to deliver high volumes of translation and interpretation through the use of freelancers. However, concern to limit the back-charging rate diverts attention from service improvement and development to cost containment. This encourages service providers and commissioners to view language services as a cost and not as an intrinsic organizational function.

III.   Current FAO Language Policy

15.   This section focuses on FAO Language Policy issues of direct relevance to language services. It does not address policy issues related to recruitment, internal communication and advocacy.

16.   The following extract from the document "Review of FAO Language Policy" presented to the Programme and Finance Committees in May 1999 clearly set out the Organization's views on multilingualism: "Linguistic and cultural diversity are essential features of international co-operation and form part of FAO's most significant comparative advantages. The ability of FAO Members and partners to express themselves and receive the Organization's documents and publications in their own languages enriches their participation in the activities of FAO and strengthens the Organization. The value of multilingual work should not only be judged on the number of meetings, publications or other activities which are held or disseminated in more than one language but also on the content and quality of these outputs in all the FAO languages. Within the pragmatic approach advocated by the Conference and Council, the equitable treatment of these languages is a central concern of the Director-General."[4]

17.   Subsequently, the Conference reaffirmed the imperative of ensuring parity and balance in the use of all FAO languages and the need to oversee the quality of translation and interpretation. It endorsed the measures proposed for a more balanced use of languages, including a special provision to meet specific and urgent requirements, as reflected in the PWB.[5]

18.   This resulted in the Special Allocation for the Improvement of Language Coverage that has been included in the PWB since the 2000-01 biennium. Members also requested the close monitoring of progress through periodic assessments, which have been carried out through the Programme Implementation Report.

19.   Further guidance was provided in the report JIU/REP/2002/11 "Implementation of Multilingualism in the United Nations System"[6], which was reviewed by the Council in November 2003.

20.   Of particular relevance to the FAO Language Policy was Recommendation 1 outlining the approach to implementation of language parity in the UN system, which was in line with application in FAO:

a) Within the framework of applicable rules governing the use of languages, the prime objective of language arrangements for any meeting should be to provide to all participants an equal opportunity to contribute to the legislative process or to the formulation of the meeting's outputs as the case may be;

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[4] Review of FAO Language Policy, 1999, PC 81/6 – FC 92/13.

[5] *Report of the FAO Conference,* C 30 (1999), para. 94.

[6] CL 125/INF/14, November 2003.

b) For meetings of governing bodies and other intergovernmental meetings, language arrangements as called for in the rules of procedure should be strictly adhered to, unless otherwise decided by the membership; when Secretariats are unable to provide pre-session documents in all prescribed languages for reasons beyond their control, they should exceptionally submit such documents temporarily in abridged format or executive summary in the concerned languages within the established deadlines;

c) Other categories of meetings such as expert group meetings or seminars should be organized taking into account the language proficiency of those called upon to attend;

d) While languages used for the dissemination of information should aim at outreaching to the largest extent possible targeted audiences in the framework of the mandate of each Organization, their scope should include all languages normally used by each Organization, due regard being given to those applicable at field level.

21.   The above elements form the basis of FAO Language Policy and are reflected in the rules and procedures for the language coverage of meetings and related documentation. The Organization has also put in place an internal publishing policy and a set of guidelines for web publishing to implement language policy in these areas.

22.   There is a clear distinction in the application of language policy between meetings and technical information (print and electronic):
   - meetings: this includes interpretation and translation services to enable those attending to actively participate on an equal footing in debates on governance of the Organization, as well as on technical issues, agreements, policies and other matters;
   - dissemination of technical information: this refers to the availability of publications and website material in different languages in order to reach key target audiences.

IV.   Measures to improve the quality and consistency of language services

23.   As requested at the 88th Session of the CCLM, the study on language services covered the need to ensure quality and consistency of translation, with consideration given to the incremental workload of direct outsourcing by the secretariats of the bodies concerned. This links with IPA action 3.58 which provides that, "following the findings of the Root and Branch Review, improvements will be introduced to ensure quality and timely translation if possible at reduced costs"[7].

24.   The following areas have been identified for improved quality of service:
   - Increased coverage and cost-efficiency of the interpretation service;
   - Increased coverage and cost-efficiency of the translation service;
   - Improved quality of original texts;
   - Centralized roster for the outsourcing of translations;
   - Implementation of a Total Quality Management system in the language services.

A.   INCREASED COVERAGE AND COST-EFFICIENCY OF THE INTERPRETATION SERVICE

25.   The Organization faces major constraints due to the limited number of staff interpreters and the relatively small local freelance market, as compared to other HQ cities such as New York, Geneva, Vienna and Paris. These constraints have a significant impact as they tend to: (i) limit the ability to cover unplanned needs; (ii) produce high travel-related costs; and (iii) upset the language balance as interpretation in selected FAO languages may not always be possible.

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[7] C 2008/REP, Resolution 1/2008 and Immediate Plan of Action for FAO Renewal, p. 36, para. 41.

26.   Under the current back-charging mechanism, with all costs charged to a specific meeting budget, the Organization is forced to match interpreter recruitment with the exact number of sessions requested, which makes it difficult to accommodate last-minute requests in a cost-efficient manner. The introduction of Russian as an FAO language has exacerbated the situation in terms of constraints related to local market and the high cost of non-local recruitment.

27.   Interviews with internal FAO stakeholders highlighted their concern about the relatively high cost of interpretation as compared to other HQ cities and the local rate. While legitimate, such concerns do not consider two fundamental aspects: first, the daily back-charge rate includes overheads and administrative costs, including the work carried out by Interpretation Group staff for recruitment, contracting, accounting and payments; and second, while this all-inclusive cost is higher than the base freelance cost of local interpreters for English, French and Spanish, it is in fact below the actual cost of recruiting non-local interpreters (to cover 90% of needs for Arabic, Chinese and Russian).

28.   Some imbalances in language parity emerged during discussions with the Regional Groups, particularly concerning Arabic and Spanish interpretation. The main problem is that the language services provided at certain meetings do not necessarily reflect Regional Group expectations, and criteria applied when deciding meeting languages are not always evident to Members.

29.   The language services should therefore play a stronger role in scheduling and determining the language requirements of major meetings. Earlier planning of meeting needs would also be helpful. Such measures would facilitate the recruitment of top interpreters, thus responding to any concern about quality of service and enhancing language parity. The transparency of meeting costs could also be improved by only charging the actual direct cost of interpretation for any given meeting, with overheads and administrative costs covered by separate dedicated funding.

B.   INCREASED COVERAGE AND COST-EFFICIENCY OF THE TRANSLATION SERVICE

30.   Stage 2 of the Root and Branch Review (RBR) conducted an in-depth analysis of the FAO translation service and recommended changes to improve quality and efficiency. Improving terminology in all FAO languages, reducing the gap with Arabic and Chinese and integrating Russian were given paramount importance to ensure quality of translation, given the upward trend of outsourcing. The Management Response to the RBR accepted its recommendation to improve and expand the terminology database, which is now largely in place and freely available.[8]

31.   Considerable efforts have been made to improve the terminology platform in terms of architecture and content. In 2008-09, the Term Portal and FAOTERM database increased to more than 75 000 entries in English, French and Spanish, and over 55 000 entries in Arabic and Chinese. However, the pace of terminology entry cannot keep up with the Organization's needs for standardized terminology in all languages because there is no specific linguistic validation service. This function is carried out by staff translators and revisers in addition to their translation management and production work. Terminology work is therefore often left to low workload periods which are becoming increasingly scarce.

32.   Besides translation, the language groups provide departments and secretariats with other services that are not directly linked to back-charged translations, including:
- consistent and reliable validation of new terminology generated by corporate activities;
- linguistic contributions to the corporate terminology database used internally by departments and secretariats and externally by contractors;
- consistency in the corpus of documents generated by FAO;

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[8] *Management Response to Root and Branch Review Final Report,* CoC-IEE Working Group III, 20 May 2009.

- management of a roster of external translators available to divisions and secretariats;
- review of the quality of translations contracted externally by divisions and secretariats to advise on the need for revision or further linguistic improvement.

33.   The cost of these normative services is currently included in the translation back-charge rate and is charged exclusively to divisions that use the internal translation services. The translation back-charge rate should not include the cost of such normative activities which should be covered by dedicated funding.

C.   IMPROVED QUALITY OF ORIGINAL TEXTS

34.   A key requirement for good quality translation is good quality authoring. Most original documentation has not been professionally edited and much material in English appears to be drafted by non-native speakers. The resulting inaccuracies, ambiguities and confusion only increase translation time and risk jeopardizing quality.

35.   One solution might be to encourage staff members to produce original documentation in their best language[9]. However, authoring in multiple languages could imply additional costs, difficulties in internal processing, longer translation times and possibly quality problems resulting from "relay translation" though English for certain language combinations.

36.   Some documents are sent to the translation service in draft form ("advance translation") with changes introduced at a subsequent stage. While this approach may minimize the delay between the finalization of a document in its original language and its availability in other languages, this compromises quality and increases workload.

37.   FAO's Publishing Policy and Support Branch (OEKP) has a corporate responsibility to advise divisions on efficient ways of procuring editorial and publishing services and maintaining an updated roster of external service providers (individuals and corporate entities) in these areas.

38.   It would appear that editorial and publishing services are employed for the preparation of final versions of publications and web releases in English and other FAO languages (including translations), but not for the editing of English meeting documentation prior to translation.

39.   English originals of high-profile meeting documents should be edited by professional editors, particularly documents that are to be translated into all FAO languages. The resulting benefits to FAO's corporate image are obvious. The type and quantity of documents that should be edited need to be further analyzed.

D.   CENTRALIZED ROSTER FOR THE OUTSOURCING OF TRANSLATIONS

40.   Under the current system, direct outsourcing clearly provides an important cost-cutting opportunity for divisions. However, this method creates competition between the FAO language service and divisions, limiting choice and opportunities to optimize resources, and increasing the overall cost to the Organization. It also creates an unfair competition since, as noted above, internal back-charged costs have to cover normative functions and include some additional overheads.

41.   Loyalty to freelancers is very important for translators and for the Organization. It is often preferable to recruit the same translator for different versions of the same document or similar documents. Translators who are already familiar with FAO terminology and style are more productive, more accurate and deliver a better product.

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[9] PC 93/9 – FC 109/14 c) – Report on Follow-up to Joint Inspection Unit Recommendations, May 2005, p. 16.

42.   A large proportion of FAO translation is not handled by the FAO language services. Except for a few categories of document, divisions are free to choose between internal translation and outsourcing. As outsourced translation is cheaper, divisions have a strong incentive to choose this option, which decreases demand for internal services. This further limits FAO's internal language service control over official translation and tends to increase the back-charge rate.

43.   The table below presents data on the proportion of translation outsourced by the FAO translation service out of total outsourced translation, based on data for 2008-09.[10]

Outsourcing	Internal service	Other divisions	Total
Translation (USD)	3,003,393	3,653,703	6,657,096
Translation (%)	45.1	54.9	100
Contracts (number)	965	1,132	2,097
Contracts (%)	46	54	100
Contractors (number)	142	288[11]	430
Contractors (%)	33	67	100

44.   The table shows that 142 translators were hired by the internal translation service during the biennium, while divisions contracted a total of 332 translators, including 44 also used by the internal service (CSCM) and 288 not normally hired by CSCM. This means that divisions tend to assign translations to a high number of consultants who are not hired regularly, thus impeding the formation of a significant pool of resources on which to build loyalty, expertise and professionalism. At the same time, the absence of a centralized contracting mechanism prevents the training and continuity of work of the better freelance translators, except those working with CSCM.

45.   In 2008-09 a total of 25.3 million words were handled through the internal translation services compared to 20.3 million of words outsourced by divisions (calculation based on a rate of USD 180 per thousand words). Since the internal translation service has limited control over the corporate translation situation, the end reader cannot tell whether the translation has been done by the official service, by a translator on the sub-roster or by some unknown third party. This creates a problem of ill-defined accountability.

46.   As the internal translation service is the primary source of expertise, experience and technological capacity to ensure an adequate quality control of translation of FAO's technical work, it should be appointed to coordinate the handling of all external translation. And, as such functions are corporate in nature and not associated with any specific translation request, appropriate dedicated funding for such a service should be made available from regular funds and not recovered through the back- charging mechanism. In this way, user divisions would only pay for the actual cost of the translation service received.

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[10] Warehouse data provided by the Human Resources Management Division, CSH, on Personal Services Agreement (PSA) contracts that include words such as "translation" in the specifications. The figures are indicative as they do not take into account translations done by volunteers, consultants or staff, or outsourcing to institutions through Letters of Agreement.

[11] Freelancers contracted only by divisions and not by CSCM. Divisions hire a higher number of contractors overall as they also use freelancers hired by CSCM (44).

E.   IMPLEMENTATION OF A TOTAL QUALITY MANAGEMENT SYSTEM IN THE LANGUAGE SERVICES

47.   Quality has always been a key concern in FAO at large and in the FAO language services in particular. Translators and interpreters are professionally dedicated to the delivery of quality products and services. While quality represents a key competitive advantage of the FAO language services, no mechanism has been put in place to ensure its ongoing delivery.

48.   When analysing quality management, a distinction can be made between quality of language service and final product, and the broader picture of corporate quality covering all processes and departments.

49.   There have been many actions in recent years to develop and strengthen the quality of translations and the translation process, but these have sometimes been uncoordinated and incomplete. A comprehensive project on quality in language services needs to be developed, identifying necessary measures and regularly reporting progress to stakeholders.

50.   A Total Quality Management system in the language services should be put in place, with the systematic collection of feedback from users and the institution of corresponding service level agreements. In this context, FAO should revisit the quality strategy of the language services and comprehensively review processes of quality assurance before, during and after the handling of assignments by the language services. Processes should be clearly defined to improve service quality, cost-effectiveness, transparency and traceability.

V.   Possible new financing modalities for language services

51.   The above analysis has pointed to a number of actions to further improve the language services. Some would imply changes in the current funding arrangements, with the allocation of dedicated funding for the normative functions carried out by language service staff, instead of having these covered by the back-charging mechanism. This refers in particular to planning, scheduling and normative functions in the interpretation service and to linguistic validation, roster maintenance and quality control functions in the translation service.

52.   Other actions, such as the centralized management of translation contracting and the pre-translation editing of original texts to improve their quality and the subsequent quality of translation, may require the allocation of additional funding from the Organization. These are issues currently under examination.

VI.   Guidance sought from the Finance Committee

53.   This document has reported the current status of the ongoing study on language services, identified possible measures to improve the quality, consistency and availability of language services and outlined options for modifying current funding arrangements.

54.   Based on the findings of the study and on guidance received from the Finance Committee, measures to consolidate and improve the capacity, quality and efficiency of the FAO language services will be presented in the PWB 2012-13.

55.   The Committee is invited to note the findings and proposals of the study and to provide any comments and guidance that it may wish to give in this regard.